LOUISIANA

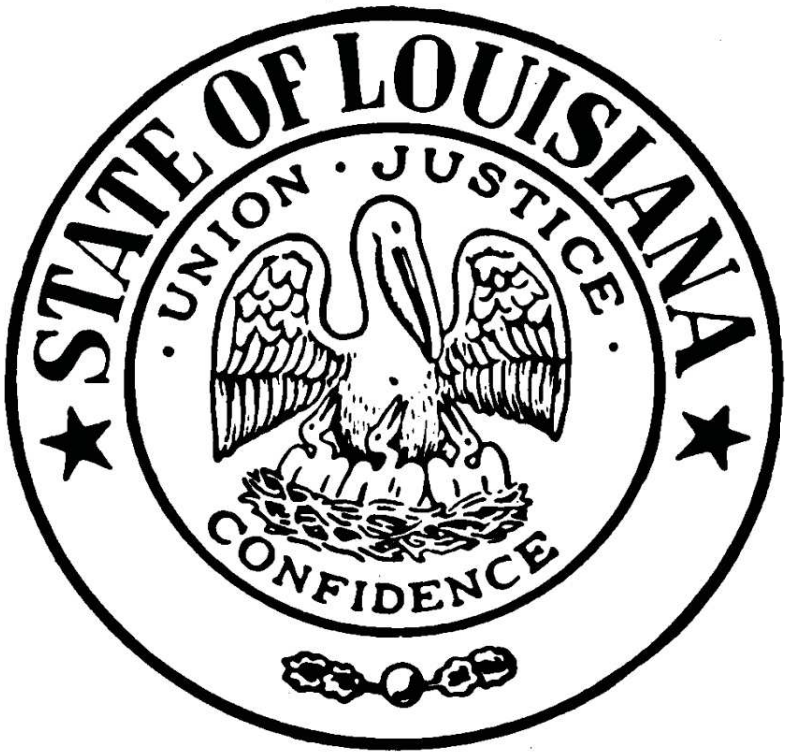
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended June 30, 2013

This public document was published at a total cost of $4,049.00. Two-hundred and fifty (250) copies of this public document were published in the first printing at a cost of $4,049.00. The total cost of all printings of this document, including reprints was $4,049. This document was published for the Division of Administration, Office of Statewide Reporting and Accounting Policy, P.O. Box 94095, Baton Rouge, LA 70804-9095 by Moran Printing, Inc. to report the financial condition of the State for the fiscal year ended June 30, 2013, under authority of LRS 39:92. This material was printed in accordance with the standards for printing by state agencies established pursuant to LRS 43:31.

State of Louisiana
Comprehensive Annual Financial Report
for the Year Ended June 30, 2013

BOBBY JINDAL
Governor



Prepared By
DIVISION OF ADMINISTRATION
KRISTY H. NICHOLS
Commissioner

On the Cover

Exploring Louisiana's Key Industries. Louisiana is home to strong traditional industries, such as petrochemicals and shipbuilding, as well as newer growth industries with strong foundations in technology and research. Our state continues to work aggressively to strengthen our business environment, diversify our economy, and promote business investment opportunities. Louisiana's key industries include:

- **Aerospace—**Unrivaled infrastructure, highly-skilled workforce, and competitive incentives are fueling Louisiana's thriving aerospace industry.
- **Agribusiness—**Innovative research centers and a wealth of raw materials aid a billion-dollar agriculture industry.
- **Energy—**Strong infrastructure, workforce, logistics, and regulations present an ideal situation for energy companies.
- **Entertainment—**Incentives in digital media, live performance, motion picture, and sound propel a billion-dollar industry.
- **Manufacturing—**A favorable income tax environment and strong infrastructure provide the resources companies need to thrive in Louisiana.
- **Process Industries—**Highly skilled talent and an abundance of natural resources make Louisiana a smart choice for the process industries.
- **Software Development—**Software companies are taking notice of Louisiana courtesy of the strongest incentives in the U.S.
- **Water Management—**Expertise in water management combined with geography make Louisiana a thriving market for exploration.

Photo Credits

Front Cover:

- Top-left: Louisiana is one of America's emerging technology hubs. Gameloft is just one of many technology companies setting up shop in the state. Photo courtesy of Louisiana Economic Development.
- Top-right: Louisiana's State Capitol. Photo provided by Louisiana Division of Administration.
- Center-left: Agribusiness reaps many benefits for Louisiana companies. Photo courtesy of Louisiana Economic Development.
- Bottom-left: Unrivaled infrastructure, a highly skilled workforce, and competitive incentives are fueling Louisiana's thriving aerospace industry. Photo courtesy of Louisiana Economic Development.
- Bottom-right: Sasol Ltd. chose Louisiana for a $16 billion to $21 billion investment in a new integrated GTL and ethane-cracker complex in Southwest Louisiana. Photo courtesy of Louisiana Economic Development.

Back Cover:

- Top-left: Louisiana manufacturers benefit from the state's skilled workforce. Photo courtesy of Louisiana Economic Development.
- Top-right: Louisiana's port system provides access via the Mississippi River to 35 interior states and the Gulf of Mexico. Photo courtesy of the Port of New Orleans.
- Bottom-left: Headquartered in Baton Rouge, La., PreSonus Audio Electronics is a leading manufacturer of digital and analog hardware and software systems for the professional audio market. Photo courtesy of Louisiana Economic Development.
- Bottom-right: Louisiana is home to companies in legacy sectors like chemicals and refining as well as emerging prospects such as biofuels. Photo courtesy of Louisiana Economic Development.

Bobby Jindal

Governor

State of Louisiana

CONTENTS

Page

I. INTRODUCTORY SECTION

Letter of Transmittal 1
Certificate of Achievement 9
Principal State Officials 10
State Organizational Chart 11

II. FINANCIAL SECTION

Independent Auditor's Report 13

Management's Discussion and Analysis 17

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Position 30
Statement of Activities 32

Governmental Fund Financial Statements

Balance Sheet 33
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 34
Statement of Revenues, Expenditures, and Changes in Fund Balances 35
Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities 36

Proprietary Fund Financial Statements

Statement of Net Position 37
Statement of Revenues, Expenses, and Changes in Net Position 38
Statement of Cash Flows 39

Fiduciary Fund Financial Statements

Statement of Fiduciary Net Position 41
Statement of Changes in Fiduciary Net Position 42

Component Unit Financial Statements

Combining Statement of Net Position 44
Combining Statement of Activities 46

Notes to the Basic Financial Statements

Note 1 – Summary of Significant Accounting Policies 47
Note 2 – Deposits and Investments 59
Note 3 – Accounts Receivable and Accounts Payable 70
Note 4 – Interfund Accounts and Transfers 72
Note 5 – Capital Assets 74
Note 6 – Employee Benefits – Pensions 76
Note 6A – Employee Benefits – Other Postemployment Benefits (OPEB) 80
Note 6B – Employee Benefits – Termination Benefits 83
Note 7 – Leases 84
Note 8 – Long-term Obligations 86
Note 9 – Contingencies 93
Note 10 – Fund Balance/Net Position Disclosures 98
Note 11 – Other Disclosures 101
Note 12 – Subsequent Events 103

Required Supplementary Information Other Than Management's Discussion and Analysis

Budgetary Comparison Schedule – General Fund 105
Note to Required Supplementary Information – Budgetary Reporting 106
Other Postemployment Benefits Plans 107

Budgetary Comparison Schedule – Major Debt Service Fund

Budgetary Comparison Schedule – Bond Security and Redemption Fund - Budget to Actual (Non-GAAP Budgetary Basis) 109

Combining and Individual Fund Statements and Schedule – Nonmajor Funds

Governmental Funds

Combining Balance Sheet and Combining Statement of Revenues, Expenditures, and Changes in Fund Balances 112

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual (Non-GAAP Budgetary Basis)..... 116

Proprietary Funds

Enterprise Funds

Combining Statement of Net Position 120
Combining Statement of Revenues, Expenses, and Changes in Net Position 122
Combining Statement of Cash Flows 124

Internal Service Funds

Combining Statement of Net Position 128
Combining Statement of Revenues, Expenses, and Changes in Net Position 130
Combining Statement of Cash Flows 132

Fiduciary Funds

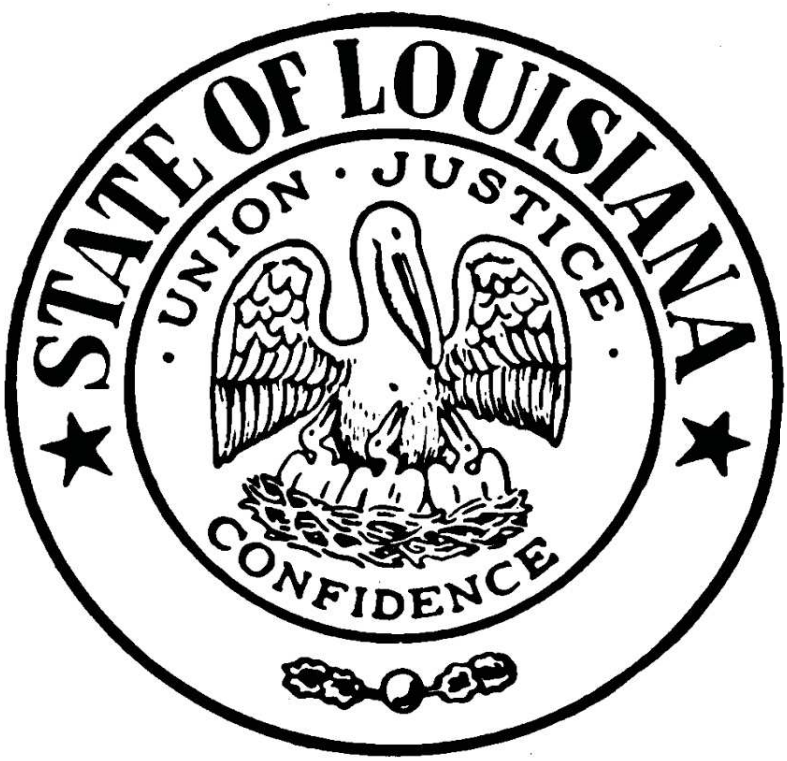
Combining Statement of Fiduciary Net Position – Pension Trust Funds 134
Combining Statement of Changes in Fiduciary Net Position – Pension Trust Funds 135
Combining Statement of Fiduciary Net Position – Investment Trust Funds 136
Combining Statement of Changes in Fiduciary Net Position – Investment Trust Funds 137
Combining Statement of Fiduciary Assets and Liabilities – Agency Funds 138
Combining Statement of Changes in Assets and Liabilities – Agency Funds 139

Component Units

Combining Statement of Net Position 142
Combining Statement of Activities 146

III. STATISTICAL SECTION

Statistical Section Index 147
Net Position by Component, Last Ten Fiscal Years 148
Changes in Net Position, Last Ten Fiscal Years 150
Fund Balances, Governmental Funds, Last Ten Fiscal Years 154
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years 156
Individual Income Tax, Last Seven Fiscal Years 158
Tax Rate by Major Sources of Revenue 160
Personal Income - Earnings by Major Industry, Last Ten Calendar Years 162
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years 163
Legal Debt Margin and Debt Limitations, Last Ten Fiscal Years 164
Revenue Bond Coverage, Last Ten Fiscal Years 166
Demographic and Economic Statistics, Last Ten Calendar Years 168
Principal Employers, Current Year and Nine Years Ago 169
Louisiana State Employees by Function/Program, Last Ten Fiscal Years 170
Operating Indicators by Function/Program, Last Ten Years 172
Capital Assets Statistics by Function/Program, Last Ten Fiscal Years 174
Acknowledgments 175


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

I. INTRODUCTORY SECTION

BOBBY JINDAL
GOVERNOR

KRISTY H. NICHOLS
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration
Office of the Commissioner

December 20, 2013

To: The Honorable Bobby Jindal, Governor,
Members of the Legislature, and the
People of the State of Louisiana

It is my privilege to present the Comprehensive Annual Financial Report (CAFR) on the financial condition of the State of Louisiana for the fiscal year ended June 30, 2013. The report was prepared in conformity with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and the Louisiana Revised Statutes.

The Division of Administration, Office of Statewide Reporting and Accounting Policy prepared the CAFR, in compliance with governmental GAAP requirements to report the government's operations as a single unified entity, in addition to providing traditional fund-based financial statements.

The Division of Administration is responsible for the accuracy, completeness, and fair presentation of the data, representations, and disclosures presented in the CAFR. To the best of our knowledge and belief, the data presented are accurate in all material respects, reported in a manner designed to fairly present the financial position and results of operations, and provide disclosures necessary to enable the reader to gain an understanding of the financial activities and condition of the State.

The reporting entity of the State includes all primary government funds, and the activity of component units for which the State is financially accountable. Determination of the component units to be included in the CAFR was made in accordance with criteria established by GASB and is presented in Note 1, Section A of the financial statements.

GASB requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditor's report.

INDEPENDENT AUDIT

The State of Louisiana's basic financial statements have been audited by the Louisiana Legislative Auditor. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the State for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the

overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the State of Louisiana was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the audited internal controls of the government and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the separately issued Single Audit Report for the State of Louisiana.

ACCOUNTING AND BUDGETARY CONTROL

Management is responsible for establishing and maintaining internal controls designed to ensure that assets are protected from loss, theft, or misuse and that adequate accounting data are compiled to provide for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. We believe that the internal accounting controls of the State adequately safeguard assets and provide reasonable assurance of proper recording and reporting of financial transactions.

Final financial control is exercised through the budgetary system. Financial statements are presented in conformity with GAAP and are also presented on a non-GAAP budgetary basis to demonstrate legal compliance. Variances between the GAAP and non-GAAP budgetary presentations are caused by differences in reporting entity, accounting basis, and timing. The budgetary process is further described in Note 1 to the basic financial statements and the reconciliation between GAAP and non-GAAP budgetary basis fund balances is presented as required supplementary information.

PROFILE OF THE GOVERNMENT

Located on the Gulf of Mexico and bounded by Arkansas, Texas, and Mississippi, Louisiana serves a population of 4.6 million. The Executive, Judicial, and Legislative branches govern the State as provided by the Louisiana Constitution of 1974.

The State provides a variety of services to citizens including education, health care, public safety, road and highway development and maintenance, and recreation. These services are financed primarily through taxes, fees, mineral royalties, and federal revenues, which are accounted for by various funds (general fund, special revenue funds, capital project funds, etc.).

The State financial reporting entity includes 52 active component units, which are reported discretely in the financial statements. These component units include colleges and universities, boards and commissions, ports, levee districts, and other special purpose authorities.

THE GOVERNMENT'S MAJOR FISCAL INITIATIVES

A critical focus of the 2012 legislative session was passing the state's 2013 budget. Article 7, .Section 10 (F) of the Louisiana constitution requires the legislature to pass a balanced budget each year. Rather than raise taxes on Louisiana businesses and families, policymakers worked to streamline, reform, and restructure government to improve and protect critical services for all Louisiana citizens.

- The Office of Group Benefits (OGB) moved to a third-party administrator for its Preferred Provider Organization (PPO) plan - the standard practice for its Health Maintenance Organization (HMO) and other OGB plans. The change began at the start of the plan year on January 1, 2013, and this action resulted in the reduction of 177 positions from its previous level of 327 positions. This reduction aligns its size with other states. OGB implemented no premium rate increase for plan members in calendar year 2013.

- The Department of Children and Family Services (DCFS) continued to streamline its services by consolidating offices around the state, resulting in reduced leases. These consolidations were possible as a result of the modernization of DCFS' legacy systems and the launch of CAFÉ, or Common Access Front End, which gives clients and staff greater access to case specific information. DCFS also partnered with more than 500 community partners statewide, expanding the department's footprint and providing greater access to information and services. As a result of these types of department-wide efficiencies, DCFS reduced 122 vacant positions.

- The Office of Student Financial Assistance outsourced the Loan Operations program, which resulted in the reduction of 60 positions and a savings of $1.1 million.

- The Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) reorganized and streamlined divisions, consolidated employee duties, and eliminated duplicative services. Through the reallocation of 37 positions to the federally funded Disaster Recovery division, the elimination of a professional services contract, the elimination of four agency take-home vehicles, and the elimination of three vacant positions as well as other personnel savings, GOHSEP was able to generate financial savings for the agency. These annualized savings are being achieved by streamlining services in logistics, (now handled by the LA National Guard in coordination with existing GOHSEP staff), eliminating technology and phone system contracts, and by targeting duplicative services.

- With full implementation of BAYOU HEALTH and the Louisiana Behavioral Health Partnership, Louisiana embraced a new approach to both physical and behavioral health care that focuses on outcomes, streamlines delivery and payment systems, saves critical dollars, contains exploding health care costs and dramatically improves access to care. Recently, the Department of Health and Hospitals launched the first phase of the most significant transformation of Medicaid in its 45-year history in Louisiana to better coordinate health care for nearly two-thirds of Medicaid and Louisiana Children's Health Insurance Program (LaCHIP) recipients. Under BAYOU HEALTH the state is transitioning away from that fee-for-service model towards models based on medical homes for most Medicaid beneficiaries.

DHH has contracted with five health plans that are responsible for coordinating the care for each of their members – ensuring access to quality primary and preventive health care, as well as assistance in navigating and accessing an array of health care services, while reducing the use of higher-cost health care services.

IMPLEMENTATION OF NEW ACCOUNTING STANDARDS

During the current year, Louisiana implemented GASB Statement No. 61, *The Financial Reporting Entity: Omnibus-an Amendment of GASB Statements No. 14 and No. 34.* The statement modifies certain requirements for inclusion of component units in a government's financial statements. In addition GASB Statement No. 61 amends the requirement in GASB Statement 14, *The Financial Reporting Entity*, for determining and reporting major component units and expands note disclosures explaining the rationale for the classification of each component unit.

In addition, the State implemented GASB Statement No.63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* This statement amends the net position reporting requirements in Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, by incorporating deferred outflows of resources and deferred inflows of resources in the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

ECONOMIC OUTLOOK

The information for the economic discussion is from The Louisiana Economic Outlook: 2014 and 2015, by Loren C. Scott, James A. Richardson, and Judy S. Collins, published in October 2013.

Since 2008, Louisiana has secured economic development ventures that are resulting in more than 83,000 new jobs, more than $54 billion in new investment and hundreds of millions of dollars in new sales for the state's small businesses. In every major business climate ranking, Louisiana stands higher today than it ever did before 2008.

The state is flourishing due to the state's huge chemical industry doing well due to gaining market share from the Europeans (including new chemical firms announcing expansion in the state); to exploration activity in the Gulf of Mexico, now back to pre-spill levels; and to the new industry that is coming to the state that is not exploration or chemical-industry related (IBM, Ameritas, Ron Pak, Benteler Steel to name a few). Based on the factors noted above, Louisiana is preparing for a period of exceptional growth.

The forecasts for the State of Louisiana are based on the following assumptions: 1) the national real gross domestic product is expected to be 2.4% in 2014 and 2.6% in 2015; 2) the 30-year fixed mortgage rate rising slightly, about 1 ½ percentage points and only a very modest bump in inflation, 2.3% in 2014 and 2.2% in 2015; and 3) oil prices are expected to decline into the $95 range by 2015, and natural gas prices are projected to stay near $4 per mmbtu.

Louisiana's economy is quite diverse, as can be seen in comparing the Metropolitan Statistical Areas (MSAs) of Louisiana. Below are the forecasts for the major MSAs of Louisiana.

- New Orleans, the State's largest MSA, is projected to add 5,000 jobs (.09%) in 2014 and 6,000 jobs in 2015 (1.1%). The persistent growth performance in the New Orleans area is attributed to the continuing above average construction

activity in the region in the public and private sector. Such as, the opening of the Big Charity Hospital in 2015 and "Project Legacy", the new 200-bed VA Hospital is under construction and scheduled to open in February 2016. In addition to the public sector construction projects, several firms within the private sector have announced they are either coming to or expanding in the New Orleans area; including, Dyno Nobel International, Marathon Refinery, Michoud Assembly Facility, Smoothie King, and Stewart Enterprises.

- Baton Rouge is the second largest MSA. It is estimated that in 2014, the Baton Rouge region will add 12,500 jobs (3.3%) and will follow in 2015 with an additional 9,200 jobs (2.3%). The very strong projected performance can be traced to the boom in the area's chemical industry. Chemical firms are prodigious users of natural gas, and the U.S. firms are cutting into Europe's' share of the world chemical market. When the chemical industry expands, so does industrial construction. As a result, several firms are either coming to or expanding in Baton Rouge; including, Westlake Chemicals, BASF, Georgia Pacific and Dow Chemical. Baton Rouge is also enjoying economic development victories in the niche of high tech. Ameritas – an information technology and software development company has opened in Chase Tower.

- The Shreveport-Bossier MSA has been in an employment dive for four of the past five years due to the loss of GM, cutbacks at Barksdale and Libbey Glass, and a reduction in oil rigs in the Haynesville Shale. Despite the above noted employment dives, this region has received some good news. The Shreveport-Bossier MSA has landed a new plant and the headquarters of Ronpak and most recently, the new $900 million Benteler Steel complex. This region will also get a boost from the opening of the Margaritaville Casino. It is projected that this MSA will expand by 900 jobs a year, or about 1% over the next two years.

- The third fastest growing MSA in the state is projected to be Houma, adding 5,200 jobs (about 2.6% annually). Port Fourchon has increased activity due to the return of Gulf exploration activity. Major new hiring will occur at the Edison Chouest and Bollinger shipyards. If modifications are not made to the new National Flood Insurance Program, Houma may face a looming uncertainty.

- The Lake Charles MSA is about to enter the finest growth period in its history. It's projected to add 3,300 jobs in 2014 and another 4,500 jobs in 2015. The Lake Area Industrial Alliance projects construction labor demand to jump from about 6,000 now to 14,000 in 2016. Adding to the growth is the opening of the new 1,500-job Golden Nugget Casino and AAR (Chennault Airpark) that will be adding 500 jobs.

CERTIFICATE OF ACHIEVEMENT

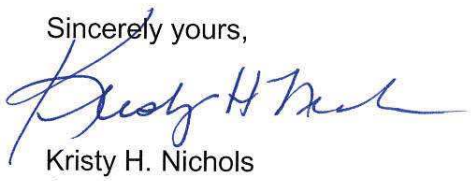
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the State of Louisiana for its CAFR for the fiscal year ended June 30, 2012. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation in government financial reporting.

In order to be awarded a Certificate of Achievement, a government must publish a CAFR that is easily readable and efficiently organized, and whose contents conform to program standards. The CAFR must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only.

ACKNOWLEDGEMENTS

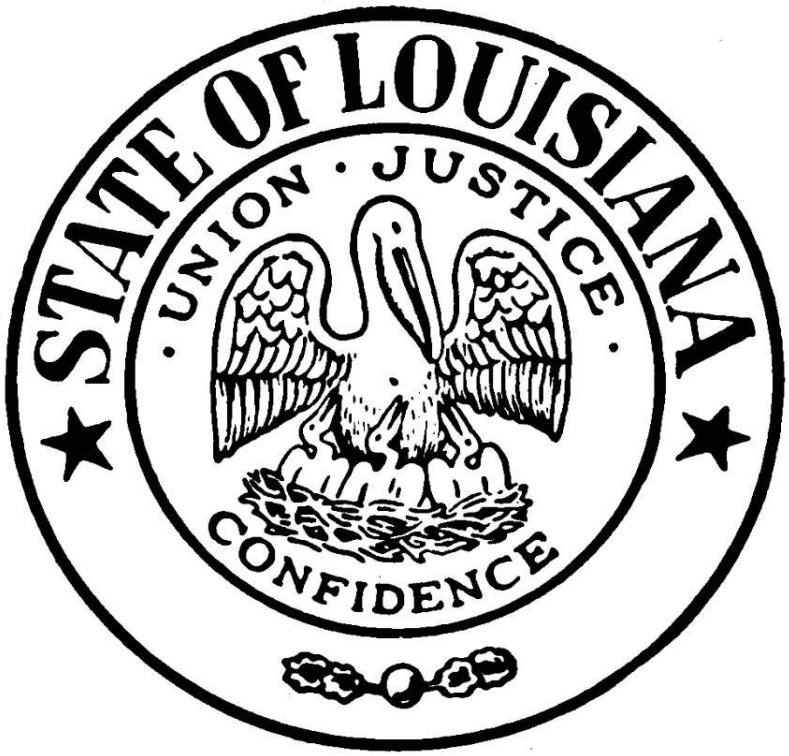
In conclusion, I wish to express my appreciation to the staff of the Office of Statewide Reporting and Accounting Policy for their professionalism, dedication, and expertise in preparing this report, as well as their commitment to maintaining the highest standards of accountability in financial reporting. I also wish to thank the agency fiscal officers and accountants whose contributions helped make this report possible.

Sincerely yours,



Kristy H. Nichols
Commissioner of Administration

KHN:AA


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

CERTIFICATE OF ACHIEVEMENT

Certificate of Achievement for Excellence in Financial Reporting

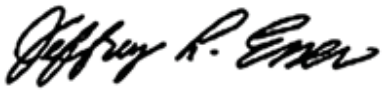
Presented to

State of Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2012

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President



Executive Director

PRINCIPAL STATE OFFICIALS

Executive (Elected)

Bobby Jindal
Governor
Jay Dardenne
Lieutenant Governor
J. Thomas “Tom” Schedler
Secretary of State
James D. “Buddy” Caldwell
Attorney General
John Neely Kennedy
Treasurer
Dr. Mike Strain
Commissioner of Agriculture and Forestry
James J. Donelon
Commissioner of Insurance

Executive (Appointed)

Suzy Sonnier
Secretary of Children and Family Services
Jay Dardenne
Secretary of Culture, Recreation, and Tourism
Stephen Moret
Secretary of Economic Development
John White
State Superintendent of Education
Peggy M. Hatch
Secretary of Environmental Quality
Kathy H. Kliebert
Secretary of Health and Hospitals
Stephen Chustz
Secretary of Natural Resources
James M. LeBlanc
Secretary of Public Safety and Corrections
Colonel Michael D. Edmonson
Deputy Secretary of Public Safety and Corrections
Superintendent, Office of State Police
Eve Kahao Gonzalez
Secretary of Public Service Commission
Tim Barfield
Secretary of Revenue
Shannon S. Templet
Director of State Civil Service
Sherri LeBas
Secretary of Transportation and Development
David LeCerte
Secretary of Veterans Affairs
Robert Barham
Secretary of Wildlife and Fisheries
Curt Eysink
Executive Director of Louisiana Workforce Commission

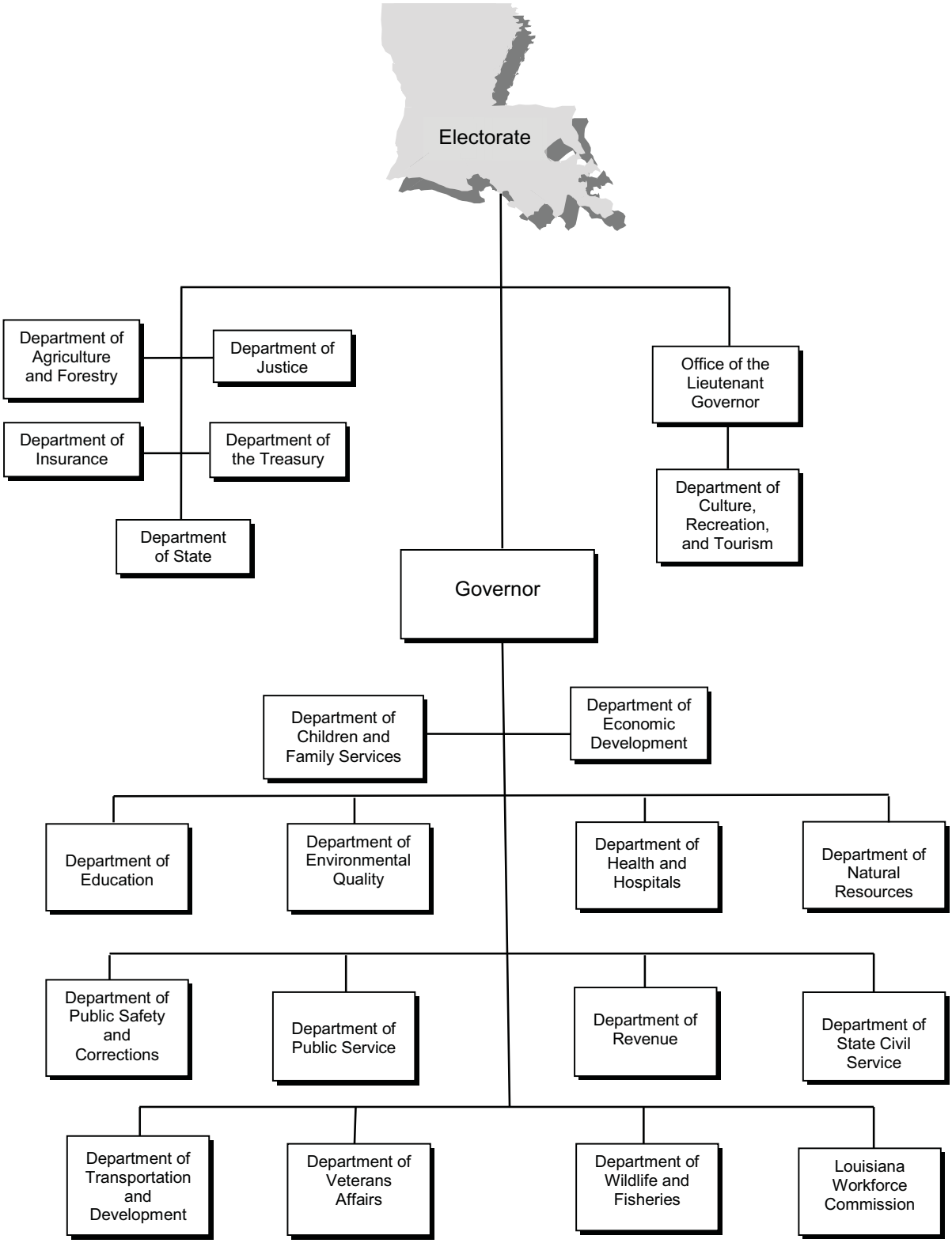
Legislative (Elected)

Charles E. “Chuck” Kleckley
Speaker of the House of Representatives
John Alario
President of the Senate

Judicial (Elected)

Bernette J. Johnson
Chief Justice of the Supreme Court of Louisiana

STATE ORGANIZATIONAL CHART


Electorate
Department of Agriculture and Forestry
Department of Justice
Office of the Lieutenant Governor
Department of Insurance
Department of the Treasury
Department of Culture, Recreation, and Tourism
Department of State
Governor
Department of Children and Family Services
Department of Economic Development
Department of Education
Department of Environmental Quality
Department of Health and Hospitals
Department of Natural Resources
Department of Public Safety and Corrections
Department of Public Service
Department of Revenue
Department of State Civil Service
Department of Transportation and Development
Department of Veterans Affairs
Department of Wildlife and Fisheries
Louisiana Workforce Commission

STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

II. FINANCIAL SECTION

LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA

December 20, 2013

Independent Auditor's Report

Honorable Bobby Jindal, Governor
Honorable John A. Alario, Jr., President, and
Members of the Senate
Honorable Charles E. "Chuck" Kleckley, Speaker, and
Members of the House of Representatives
State of Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the state's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain pension trust funds, enterprise funds, and component units of government included within the basic financial statements of the State of Louisiana, which represent the following percentages of their related opinion units:

Opinion Unit	Percentage of Total Assets	Percentage of Net Position or Fund Balance	Percentage of Revenues (Including Additions)
General Fund	0.1%	0.1%	0.1%
Business-Type Activities	13.3%	3.0%	6.8%
Aggregate Discretely Presented Component Units	43.4%	46.6%	16.9%
Aggregate Remaining Funds (pension trust funds)	80.5%	81.2%	63.9%

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for the previously mentioned pension trust funds, enterprise funds, and component units, are based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the LSU Foundation, the Tiger Athletic Foundation, and the LSU Health Sciences Foundation in Shreveport, all component units of the Louisiana State University System (major component unit); the University Facilities, Inc., the University of Louisiana Monroe Facilities, Inc., and the NSU Facilities Corporation, all component units of the University of Louisiana System (major component unit); and the SUSLA Facilities, Inc., a component unit of the Southern University System (major component unit), which were audited by other auditors upon whose reports we are relying, were audited in accordance with auditing standards generally accepted in the United States of America, but not in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Louisiana, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As disclosed in note 6 to the financial statements, the actuarial accrued liability for the Louisiana State Employees' Retirement System (System) is reported as $16,182,195,000. The actuarial valuation was based on various assumptions made by the System's actuary, including an investment return assumption of 8.0%. Because this investment return assumption may or may not be indicative of the actual future investment returns and could be overly optimistic in that regard, there is a risk that the reported actuarial accrued liability for the System at June 30, 2013, could be understated.

As discussed in note 8, Section A, to the financial statements, the maximum amount of net State tax-supported debt allowed by statute is 6.00% of estimated General Fund and dedicated funds revenues. During fiscal year 2013, the total net State tax-supported debt paid was approximately 5.75%, or 96% of the statutory limit.

As discussed in note 10 to the financial statements, the implementation of Governmental Accounting Standards Board (GASB) Statement 61 required the reclassification, inclusion, and exclusion of various primary government and component unit entitties. The overall impact of this implementation is a decrease in the General Fund's fund balance of $28,139,000 and an increase of $151,421,000 and $294,109,000 in Enterprise Funds' and Component Units' net positions, respectively.

Our opinion is not modified with respect to the matters emphasized above.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that *Management's Discussion and Analysis* and the *Required Supplementary Information Other Than Management's Discussion and Analysis* presented on pages 17 through 29 and 105 through 107, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State of Louisiana's basic financial statements. The accompanying Introductory Section (pages 1 through 12), the Budgetary Comparison Schedule - Budget to Actual - Bond Security and Redemption Fund (page 109), the Combining and Individual Fund Statements and Schedule - Nonmajor Funds (pages 112 through 146), and the Statistical Section (pages 147 through 175) listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Budgetary Comparison Schedule - Budget to Actual - Bond Security and Redemption Fund and the Combining and Individual Fund Statements and Schedule - Nonmajor Funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory Section and the Statistical Section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, a report on our consideration of the state's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters will be issued under separate cover in the *State of Louisiana Single Audit Report*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report, upon its issuance, is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the state's internal control over financial reporting and compliance.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

CR:BDC:THC:ch/lmp

CAFR2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) of the financial performance of the State of Louisiana presents a narrative overview and analysis of the financial activities of the State for the year ended June 30, 2013. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages 1 – 6 and the financial statements of the State, which begin on page 30.

FINANCIAL HIGHLIGHTS

- **Government-wide:**
  The assets of the State exceeded its liabilities and deferred inflows at the close of the fiscal year by $13.6 billion, a decrease of 4.6% from the prior fiscal year. This amount includes $5.7 billion in restricted net position that are not available to pay the general obligations of the State.

  Net investment in capital assets for the primary government totaled $11.9 billion for fiscal year 2013, an increase of $245 million (2.1%) from fiscal year 2012.

  The total net position for the State decreased $845 million from the prior year due largely to a decline in federal revenue received, which exceeded the decline in expenses.

- **Long-term Debt:**
  The long-term obligations of the State for governmental activities increased by $83 million. The major portion of this increase in liability is due to an increase in other postemployment benefits of $169 million (7.9%); however, these were partially offset by a decline in the estimated liability of claims.

- **Fund Level:**
  At the end of the current fiscal year, the State's governmental funds (as presented in the balance sheet on page 33) reported a total fund balance of $6.9 billion (8.9% decrease from the prior year balance). The State's General Fund has an unassigned fund balance of $37 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the Basic Financial Statements of the State of Louisiana, which are comprised of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

This report also contains Required Supplementary Information in addition to the Basic Financial Statements.

Government-wide Financial Statements – Reporting the State as a Whole

The government-wide financial statements are designed to provide readers with a broad overview of the finances of the State of Louisiana as a whole, and are prepared in a manner similar to a private sector business. The statements provide both short-term and long-term information about the financial position of the State, which helps in assessing the economic condition of the State at the end of the fiscal year. These reports are prepared using the flow of economic resources measurement focus and the accrual basis of accounting, methods that are similar to those used by most businesses by taking into account all revenues earned and expenses incurred in the fiscal year, regardless of when cash is received or paid.

The government-wide financial statements include the following two statements:

The Statement of Net Position (page 30) presents financial information on all of the State's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the State's financial condition.

The Statement of Activities (page 32) presents information showing how the net position of the State changed as a result of current year operations and how those operations were financed. This statement presents expenses before revenues to emphasize the fact that revenues are generated expressly for providing services, rather than as an end in themselves. Regardless of when cash is affected, all changes in net position are reported when the underlying transactions occur. As a result, transactions are included that will not affect cash flows until future fiscal periods (e.g., uncollected taxes and earned but unused leave).

Both government-wide statements report three types of activities:

Governmental Activities – The activities in this section are primarily supported by taxes and intergovernmental revenues (federal grants). Most services normally associated with State government fall into this section and they include general government; culture, recreation and tourism; transportation and development; public safety; health and welfare; corrections; youth services; conservation and environment; and education.

Business-type Activities – These activities normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The business-type activities operated by the State include the Unemployment Trust Fund, the Louisiana Community and Technical College System (LCTCS), the Louisiana Agricultural Finance Authority (LAFA), and the Clean Water State Revolving Fund, among others.

Component Units – Component units are legally separate organizations for which the elected officials of the government are financially accountable or have significant influence in governing board appointments. Among the component units included are public colleges and universities, the Louisiana Stadium and Exposition District, the Louisiana Housing Corporation, and the Louisiana Lottery Corporation. For a list of the component units included in the government-wide statements, see Note 1 (page 47) of the notes to the basic financial statements.

Fund Financial Statements

The fund financial statements begin on page 33 and provide more detailed information than the government-wide statements by providing information about the most significant funds of the State. A fund is a grouping of related accounts used to maintain control over resources, which are segregated for specific activities or objectives. The State of Louisiana uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. For governmental activities, fund financial statements indicate how these services were financed in the short-term as opposed to the government-wide statements, which present a long-term view of the State finances. The three categories into which the funds of the State can be classified are governmental funds, proprietary funds, and fiduciary funds.

Governmental funds account for most of the functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on short-term inflows and outflows of expendable resources and the balances of these resources available at fiscal year end. Such information may be useful in evaluating the current financing requirements of the State. Governmental funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash.

GASB Statement 34 has shifted the focus of governmental fund financial statements from fund types to major funds. Louisiana accounts for its activities in 57 active funds; of this total, 21 are governmental funds, 19 are proprietary funds, and 17 are fiduciary in nature. Information is presented separately on the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the funds determined to be major funds; the remaining governmental funds are presented in a single column on these statements. Combining statements for these funds are presented on pages 112 – 118 of this report.

Proprietary funds encompass enterprise funds and internal service funds. When the State charges customers for the services it provides, whether to outside customers (enterprise funds) or to other state agencies (internal service funds), the services are generally reported in the proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds apply the accrual basis of accounting utilized by private sector businesses. Internal service funds are used to accumulate and allocate

costs internally among the various functions of the State. Because the internal service funds mainly benefit governmental rather than business-type functions, they are included in the governmental activities in the government-wide financial statements.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support State programs. The State is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The fiduciary fund category includes pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 47 – 103 of this report.

Required Supplementary Information (RSI)

In addition to the basic financial statements and accompanying notes, this report also presents budgetary comparison schedules for the General Fund, which can be found on page 105 of this report.

THE STATE AS A WHOLE

Government-wide Financial Analysis

The State's overall financial position and results of operations for the past two years for the primary government are summarized in the following statements based on the information included in the government-wide financial statements:

Condensed Statement of Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Primary Government	
	2013	2012	2013	2012	2013	2012
Current and other assets	$ 13,108,419	$ 13,893,024	$ 2,330,630	$ 1,972,039	$ 15,439,049	$ 15,865,063
Capital assets	14,982,917	14,799,228	804,410	377,077	15,787,327	15,176,305
Total assets	28,091,336	28,692,252	3,135,040	2,349,116	31,226,376	31,041,368
Other liabilities	4,992,922	4,829,103	106,392	68,993	5,099,314	4,898,096
Long-term debt outstanding	11,813,798	11,730,459	731,424	198,454	12,545,222	11,928,913
Total liabilities	16,806,720	16,559,562	837,816	267,447	17,644,536	16,827,009
Total deferred inflow of resources	25,266	-	-	-	25,266	-
Net Investment in capital assets	11,573,027	11,466,833	338,894	200,294	11,911,921	11,667,127
Restricted	4,721,228	4,580,471	991,425	839,363	5,712,653	5,419,834
Unrestricted	(5,034,905)	(3,914,614)	966,905	1,042,012	(4,068,000)	(2,872,602)
Total net position	$ 11,259,350	$ 12,132,690	$ 2,297,224	$ 2,081,669	$ 13,556,574	$ 14,214,359

Net Position

Net position may serve as a useful indicator of a government's financial position. The largest portion of the State's net position, $11.9 billion, reflects investment in capital assets (e.g., land, roads, buildings, machinery, and equipment), less any related outstanding debt that was used to acquire those assets. The State uses these assets to provide services to residents of the State, and consequently is not available for future spending. Although, the State's investment in capital assets is reported net of related debt, this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the State's net position, $5.7 billion, represents resources that are subject to external restrictions on how they may be used. These restricted amounts are not available for spending as a result of legislative or constitutional requirements, donor agreements, or grant requirements. The remaining balance is unrestricted, which is a negative $4.1 billion for fiscal year ended 2013. If this amount were positive, it could be used at the State's discretion.

Changes in Net Position

Condensed Statement of Activites

(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	$ 3,737,860	$ 3,151,936	$ 489,117	$ 361,923	$ 4,226,977	$ 3,513,859
Operating grants and contributions	10,308,201	11,707,327	162,789	212,490	10,470,990	11,919,817
Capital grants and contributions	1,049,293	1,076,896	82,395	49,127	1,131,688	1,126,023
General revenues:						
Income taxes	2,903,025	2,876,011	--	--	2,903,025	2,876,011
Sales and use taxes	2,858,889	2,860,313	--	--	2,858,889	2,860,313
Other taxes	2,393,625	2,306,005	--	--	2,393,625	2,306,005
Other	1,052,790	904,597	153,590	3,739	1,206,380	908,336
Total revenues	24,303,683	24,883,085	887,891	627,279	25,191,574	25,510,364
Expenses:						
Governmental activities:						
General government	4,607,483	5,308,576	--	--	4,607,483	5,308,576
Culture, recreation and tourism	99,582	92,741	--	--	99,582	92,741
Transportation and development	1,312,998	1,500,182	--	--	1,312,998	1,500,182
Public safety	336,143	326,627	--	--	336,143	326,627
Health and w elfare	10,071,069	9,769,203	--	--	10,071,069	9,769,203
Corrections	657,028	633,544	--	--	657,028	633,544
Youth services	106,779	116,791	--	--	106,779	116,791
Conservation and environment	343,487	364,234	--	--	343,487	364,234
Education	6,705,462	6,614,109	--	--	6,705,462	6,614,109
Other	29,369	25,407	--	--	29,369	25,407
Intergovernmental	515,763	505,680	--	--	515,763	505,680
Interest on long-term debt	305,746	332,586	--	--	305,746	332,586
Business-type activities:						
Unemployment Trust Fund	--	--	339,852	537,217	339,852	537,217
Louisiana Community & Technical College			492,782		492,782	
Other	--	--	113,017	107,503	113,017	107,503
Total expenses	25,090,909	25,589,680	945,651	644,720	26,036,560	26,234,400
Net increase (decrease) before transfers	(787,226)	(706,595)	(57,760)	(17,441)	(844,986)	(724,036)
Transfers In (out)	(115,210)	77,050	115,210	(77,050)	--	--
Net increase (decrease)	(902,436)	(629,545)	57,450	(94,491)	(844,986)	(724,036)
Net Position–Beginning, as restated	12,161,786	12,762,235	2,239,774	2,176,160	14,401,560	14,938,395
Net Position–Ending	$ 11,259,350	$ 12,132,690	$ 2,297,224	$ 2,081,669	$ 13,556,574	$ 14,214,359

The State's overall net position decreased $845 million from the prior fiscal year. Some of the more significant reasons for this overall decrease are discussed in the following sections for governmental activities and business-type activities.

Governmental Activities – The change in net position for governmental activities declined by $902 million (7.4%) from the prior year. Net investment in capital assets and restricted net position increased slighted, while unrestricted net position declined by approximately $1.2 billion.

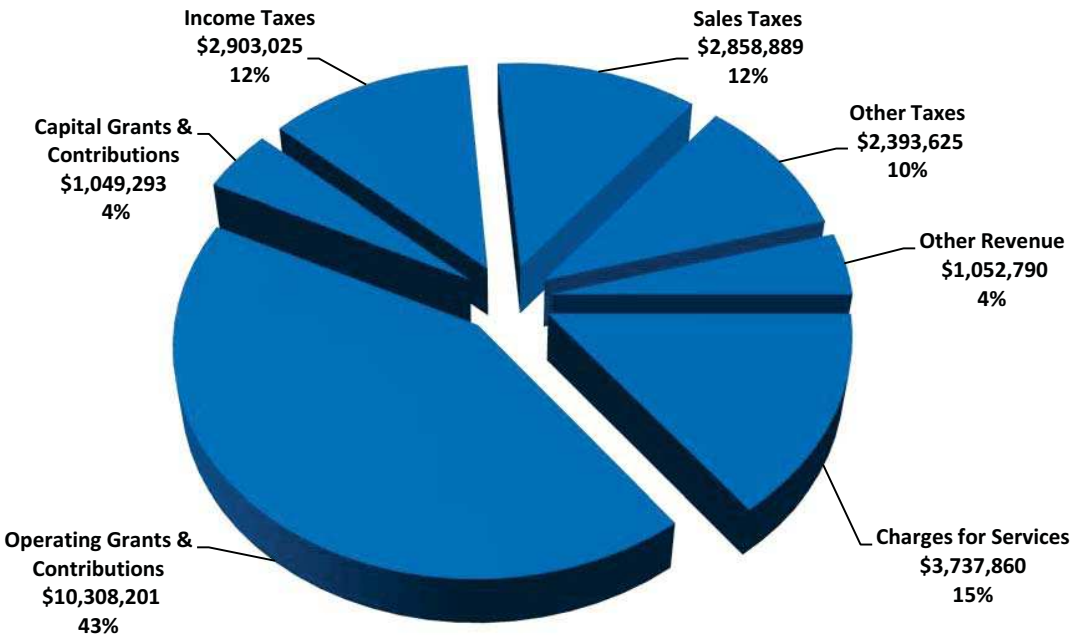
Net investment in capital assets increased by $106 million (less than 1%) due mainly to the State's additional investment in infrastructure. Restricted net position increased by $141 million (3.1%) from the previous fiscal year for governmental activities. This reflects an increase in assets restricted for debt service and capital projects.

Restricted net position for funds held as permanent investments increased by $74 million (2.8%) from the prior due in part to investment earnings. At June 30, 2013, the State had $2.5 billion restricted as nonexpendable permanent fund principal and $179 million restricted as expendable.

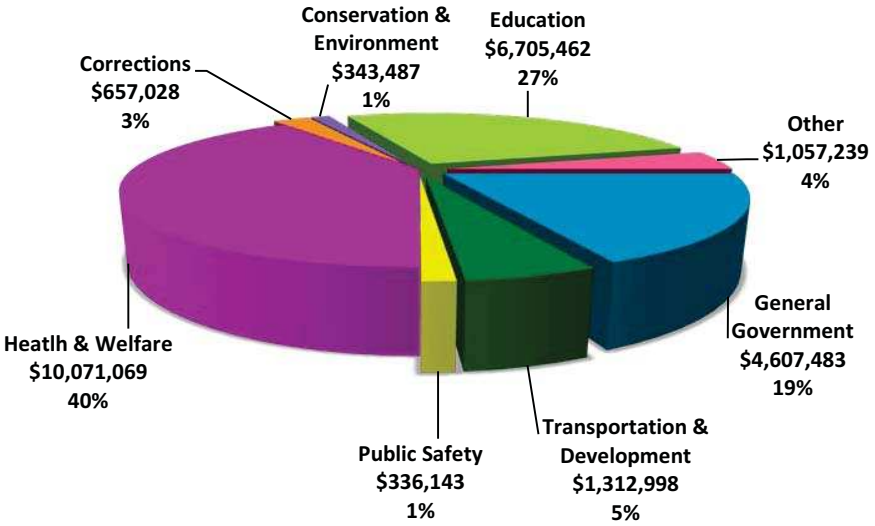
Several factors accounted for the $1.1 billion decrease in the State's unrestricted net position, but the main reason for the decrease is a decline of 1.4 billion in federal revenues while total expenses for governmental activities fell by $499 million. A large portion of the federal revenues are from hurricane related disaster recovery grants and payments from the Federal Emergency Management Agency (FEMA). Also, the American Recovery and Reinvestment Act (ARRA) grants closed in 2012 and there was an increase in Other Postemployment Benefits (OPEB) liability of $169 million. More factors are mentioned in the "Financial Analysis of Governmental Funds" section of MD&A.

Approximately 43% of the State's total revenue for governmental activities came from operating grants and contributions, 34% from taxes, and 15% from charges for services (see chart below). Operating grants and contributions, which are mainly federal revenues, declined by $1.4 billion dollars. Sales tax collections decreased by $1.4 million from the prior year. The largest expenses were for health and welfare (40%), education (27%) and general government (19%) as depicted in the second chart below.

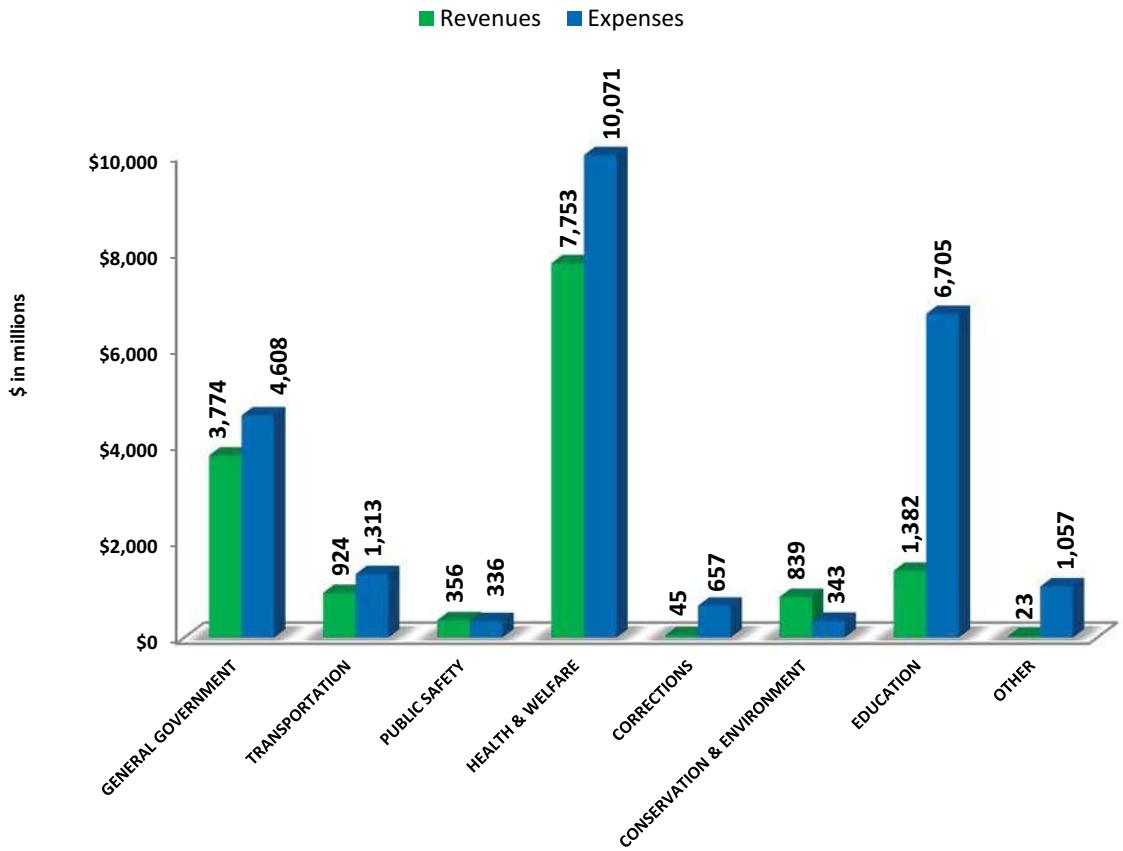
The following chart depicts the governmental activities' revenues by source for the fiscal year (in thousands):



The following chart depicts the governmental activities' expenses by function for the fiscal year (in thousands):


Conservation & Environment $343,487 1%
Education $6,705,462 27%
Corrections $657,028 3%
Other $1,057,239 4%
General Government $4,607,483 19%
Heatlh & Welfare $10,071,069 40%
Public Safety $336,143 1%
Transportation & Development $1,312,998 5%

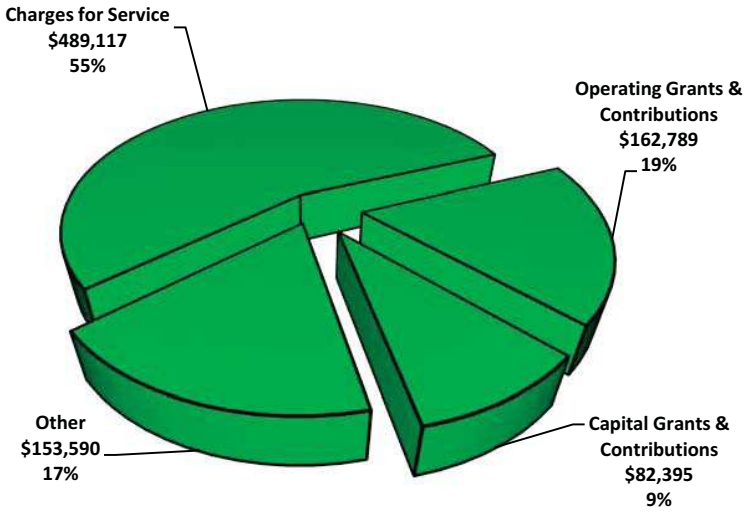
The following chart depicts the governmental activities' program revenues and expenses for fiscal year 2013:



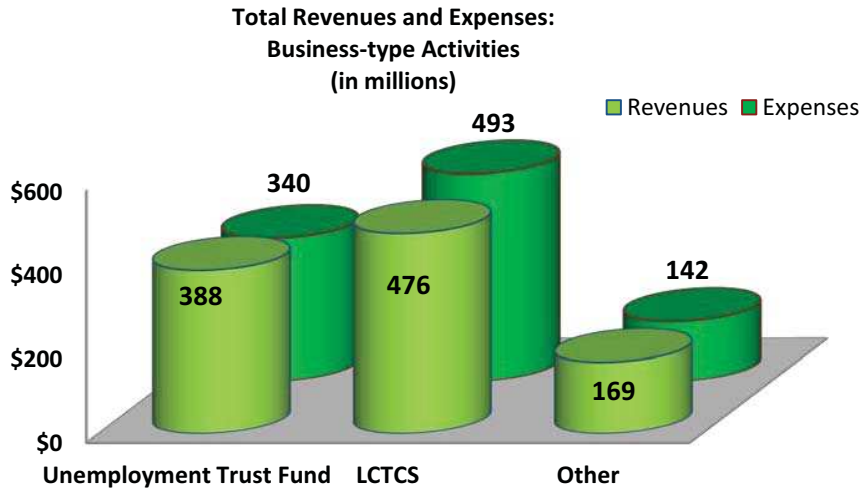
Business-Type Activities – Net position increased by $216 million (10.4%) from the prior year balance if the restated amount is included in the difference. Net investment in capital assets increased by $138 million (69%), restricted net position increased by $152 million (18%) and unrestricted net position decreased by $75 million (7%). The increases were due mainly to LCTCS and LAFA being reclassified from discrete component units to enterprise funds (an increase of $155 million) and due to less unemployment compensation disbursements from the Unemployment Trust Fund as a result of an improving economy.

Charges for services of $489 million accounted for much of the total revenue, while operating grants and contributions provided $163 million and capital grants and contributions provided $82 million of the total revenues. The largest component of business-type activity expenses was attributable to the LCTCS, which accounts for 52% of the total. As previously mentioned, LCTCS and LAFA were reclassified to enterprise funds. This reclassification caused an increase in total business-type revenues and expenses.

The following chart depicts business-type activities' revenues for the 2013 fiscal year (in thousands):



The following chart depicts the business-type activities' revenues and expenses (including transfers and capital contributions) for fiscal year 2013:



FINANCIAL ANALYSIS OF THE FUNDS OF THE STATE

As noted earlier, the State uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and to assist in the management of its budgetary operations.

Governmental Funds

The major governmental funds are the General Fund, Bond Security and Redemption Fund, the Capital Outlay Escrow Fund, and the Louisiana Education Quality Trust Fund. The General Fund is the main operating fund of the State. The Bond Security and Redemption Fund (BSRF) receives all monies deposited into the State Treasury except federal funds, donations, or other forms of assistance. The BSRF pays all obligations secured by the full faith and credit of the State that are due and payable in the current fiscal year. The Capital Outlay Escrow Fund accounts for the capital outlay expenditures of state government, state institutions and other public entities as appropriated in the annual Capital Outlay Act. The Louisiana Education Quality Trust Fund uses funds received from the federal government from mineral production or leases on the outer continental shelf; receipts are used to improve the quality of education in Louisiana.

The net change in the fund balance of the General Fund decreased by $454 million from the prior year. This was mainly due to a decline in federal revenues from hurricane related disaster recovery grants and FEMA payments. There were some increases in revenues as reflected in the table below, but those increases were more than offset by the decrease in federal revenues including a reduction of ARRA grants. Also, there were state budget cuts during the fiscal year, which affected the state match and reduced the amount of federal dollars the state could draw down.

The following table ranks the revenue sources with the largest annual percentage growth and a $10 million or higher increase over the prior fiscal year (not including federal revenues):

Annual Revenue Increases Greater than $10 Million

Revenue Source	**Annual Change** (Million $)	**Annual Change** (%)
Individual Income Tax	267.7	10.8
Excise License Tax (Insurance Premium Tax)	56.6	15.5
Motor Vehicle Sales Tax	32.8	10.2
Lottery Proceeds	21.0	14.9

The Individual Income Tax collections were better than expected in the official forecast. The reasons are a mixture of a slow but steady improvement of personal income in the state and because federal tax law changed as of January 1, 2013, so that many taxpayers realized unearned income at the end of calendar year 2012. Excise License Tax collections improved significantly due to an increased purchase of insurance policies. Vehicle sales tax collections were strong due to a strong vehicle purchasing market. Lottery proceeds were higher due to a couple of very high jackpots that generated higher sales.

The following table identifies the revenue sources with a decline of $10 million or more during Fiscal Year 2013 (not including federal revenues):

Annual Revenue Decreases Greater than $10 Million

Revenue Source	**Annual Change** (Million $)	**Annual Change** (%)
Corporate Collections (Income & Franchise)	-37.7	-10.1
Royalties	-20.2	-3.9
Interest Earnings on the State General Fund	-15.3	-19.4
Vehicle Licenses	-11.5	-9.2

Corporate collections decreased due to a slow economy. Royalty collections were lower than last fiscal year which is more of a statistical variance than an indication of a larger trend. Interest earnings on the state General Fund decreased because of the general low interest environment. Vehicle licenses were short of projections.

General Fund expenditures decreased by $577 million (2.5%) from the previous year. The major reason for the decrease is the winding down of the hurricane related disaster recovery grants and projects.

The Bond Security and Redemption Fund BSRF) revenues increased by $514 million (4.45%) in fiscal year 2013, mainly due to increases in tax collections. Most of the revenue received in the BSRF is transferred to the General Fund. The Louisiana Education Quality Trust Fund reported interest and dividend earnings of $38.4 million and an increase in the fair value of investments of $29 million.

Proprietary Funds

The major enterprise funds of the State are the Unemployment Trust Fund and the Louisiana Community and Technical College System. The Unemployment Trust Fund accounts for 38% of the net position of the enterprise funds. The change in net position increased by $57 million for the enterprise funds, due mainly to the reduction of expenses in the Unemployment Trust Fund. The Unemployment Trust Fund accounts for the Unemployment Insurance Program in the State. Expenses for the Unemployment Trust Fund decreased by more than $197 million (37%) and revenues decreased by $82 million (18%) compared to the prior year. The decrease in expenses was caused by a reduction in the number of people qualifying for unemployment insurance benefits due to the improving employment environment in the State. The unemployment rate declined in the State for the third consecutive year.

As a whole, the proprietary funds' revenues and expenses increased from the previous year primarily due to the addition of LCTCS and LAFA to the proprietary section in fiscal year 2013. LCTCS and LAFA were formerly reported as discrete component units; however, they were reclassified as enterprise funds as discussed in Note 10. Net position for the proprietary funds increased by $140 million with the addition of LCTCS and increased by $15 million with the addition of LAFA. In addition to the major funds, enterprise funds also include the Louisiana Gulf Opportunity Zone Loan Fund, the Drinking Water Revolving Loan Fund, and other non-major enterprise funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

Supplemental appropriations are usually approved before the end of the fiscal year based on revisions to estimated revenues by the Revenue Estimating Conference (REC) and the needs of various departments and programs. These supplemental appropriations are included in the final budget. Transfers between funds provide additional resources to make up the difference between revenues and expenditures. Final budgeted revenues were approximately $611 million greater than originally budgeted, and final budgeted expenditures were approximately $975 million greater than originally budgeted. The Office of Homeland Security and Emergency Preparedness increased its budget by $232 million due to the need to fund reimbursements at a rate higher than originally budgeted for ongoing recovery efforts for multiple disasters. Other reasons that final budgeted revenues and expenditures exceeded original budgeted amounts include increased budget for the TOPS Tuition Program, increased budget for the voucher program (education), an increase in charter school allocations.

The State is still recovering from the devastation caused by Hurricanes Katrina and Rita in 2005 and Hurricanes Gustav and Ike in 2008 and Isaac in 2012. The U.S. Department of Housing and Urban Development provided grants for disaster recovery from the hurricanes. Some of these programs are still in place and are one of the major reasons that actual revenues and expenditures were less than the final budgeted amounts for fiscal year 2013 ($3.1 billion for revenues and $3.9 billion for expenditures). The budgeted amount for the majority of federal grants is based upon the remaining grant balances, which decrease each year as expenses are incurred. The remaining portion of the grants for disaster recovery programs was placed in the State's budget for fiscal year 2013 because it was unknown how much money would be expended for the fiscal year. Ultimately, the State spent more than $547 million on disaster recovery programs and was reimbursed by the federal government for these expenditures.

Additional reasons that actual revenues and expenditures are less than the final budgeted revenues and expenditures are mid-year budget reductions and an overall state spending freeze. Also, some FEMA reimbursements related to Hurricane Isaac were not received, several grants were reduced by sequestration, and lower than expected activity resulted in unexpended budget authority for oil spill funds.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

(net of depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Land	$ 2,181,880	$ 2,179,942	$ 41,235	$ 4,498	$ 2,223,115	$ 2,184,440
Buildings and Improvements	1,576,931	1,603,264	327,762	20,178	1,904,693	1,623,442
Equipment	132,673	161,500	35,216	5,366	167,889	166,866
Infrastructure	8,271,921	7,876,365	340,582	336,850	8,612,503	8,213,215
Intangible Assets	68,814	75,641	14,765	184	83,579	75,825
Construction-in-Progress	2,750,698	2,902,516	44,850	10,001	2,795,548	2,912,517
Total	$ 14,982,917	$ 14,799,228	$ 804,410	$ 377,077	$ 15,787,327	$ 15,176,305

Capital Assets

Investment in capital assets for governmental and business-type activities of the State as of June 30, 2013, totaled approximately $15 billion and $804 million (net of accumulated depreciation), respectively. Approximately 68% of combined governmental and business-type capital assets are depreciable. Investment in capital assets includes land, buildings and improvements, machinery and equipment, park facilities, roads, highways, and bridges. The increase in investment in governmental capital assets for the current fiscal year is $184 million; the increase was caused primarily by an increase in infrastructure projects.

Infrastructure increased by about $395 million which can mainly be attributed to the Transportation Infrastructure Model for Economic Development (TIMED) Program and the completion of two large interstate projects in fiscal year 2013: the widening of I-12 from O'Neal Lane to Walker and the widening of I-10 from the I-10/I-12 split to Highland Road. The TIMED project is nearing its end with the completion of the Huey P. Long Bridge widening on June 16, 2013. The effort represents a more than $5 billion investment in the state by the taxpayers of the state. TIMED delivered 536 miles of new and widened roads, port improvements, airport upgrades and two major Mississippi River Bridge projects including the Huey P. Long Bridge in New Orleans and the John James Audubon Bridge linking St. Francisville and New Roads. It also improved the state's economy by ensuring that thousands of people living in Louisiana had jobs.

The investment in capital assets for business-type activities increased by $427 million (113%) over fiscal year 2013 because LCTCS and LAFA were reclassified from component units to business-type activities in fiscal year 2013. LCTCS and LAFA has capital assets of more than $393 million and $40 million, respectively.

Refer to Note 5 – "Capital Assets" on page 74 for more details of the changes in capital assets.

Outstanding Debt
General Obligation and Revenue Bonds
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
General obligation bonds	$ 2,860,660	$ 2,761,800	$ --	$ --	$ 2,860,660	$ 2,761,800
Revenue bonds and notes	4,055,730	4,079,635	574,421	203,372	4,630,151	4,283,007
Deferred amounts	203,758	261,203	(21,654)	(28,778)	182,104	232,425
Total	$ 7,120,148	$ 7,102,638	$ 552,767	$ 174,594	$ 7,672,915	$ 7,277,232

Debt Administration

The State authorizes, issues and sells debt obligations. General obligation bonds issued by the State are backed by the full faith and credit of the State. The State also issues revenue obligations, which are secured by a pledge of revenues or property derived from the operations of a program funded by the issuance of the obligations.

In fiscal year 2013, $457.9 million in general obligation bonds were issued for the financing of certain capital projects, to current refund the outstanding balance of $168.8 million in the General Obligation Bond Series 2011-B and to pay $19 million in swap termination payments. The Louisiana Bond Commission also authorized the issuance of $476 million of Gasoline and Fuels Tax revenue refunding bonds to take advantage of the low interest rates and to current refund higher interest revenue bonds.

Bond ratings for general obligation debt remained stable at AA as rated by Fitch. Moody's rating remained stable at Aa2. Details on long-term debt, including debt authorization and limitations are discussed in Note 8, Long-Term Obligations (page 86).

ECONOMIC FACTORS

(Selected excerpts under "Economic Factors" are taken from The Louisiana Economic Outlook: 2014 and 2015, by Loren C. Scott, James A. Richardson, and Judy S. Collins, published in October 2013; the U.S. Census Bureau; and press releases from the Louisiana Department of Economic Development.)

Louisiana's employment levels have surpassed both the South and the Nation since the recession began. June 2013 marked the 22nd consecutive quarter that the state outperformed both the south and the U. S. with respect to the unemployment rate, which was 6.4% for the State in 2012 versus 8.1% for the nation. Louisiana has now enjoyed three straight years of growth and employment is steadily rising.

Many businesses are locating or expanding in Louisiana. Below are some of the larger investments that are committed to Louisiana.

- In December 2012, Sasol executives finalized their commitment to Louisiana, and announced the investment of $16 billion to $21 billion in both a word-scale ethylene cracker and a new gas-to-liquids (GTL) plant, the largest manufacturing project in Louisiana history. The GTL plant will convert natural gas into 96,000 barrels per day of diesel, naphtha, and other chemical products.

- Methanex will relocate two idle methanol plants from Chile to Geismar, LA, a $1.1 billion investment in Ascension Parish. The project is expected to create 165 new direct jobs and an estimated 1,203 new indirect jobs. Additional construction of two facilities will result in approximately 2,500 construction jobs.

- Construction has begun on a new IBM technology center in the State's capital. The technology center will provide software development and software maintenance services to clients in the United States. IBM is committed to creating more than 100 new jobs by the end of 2013 and growing that number to 800 jobs by 2016.

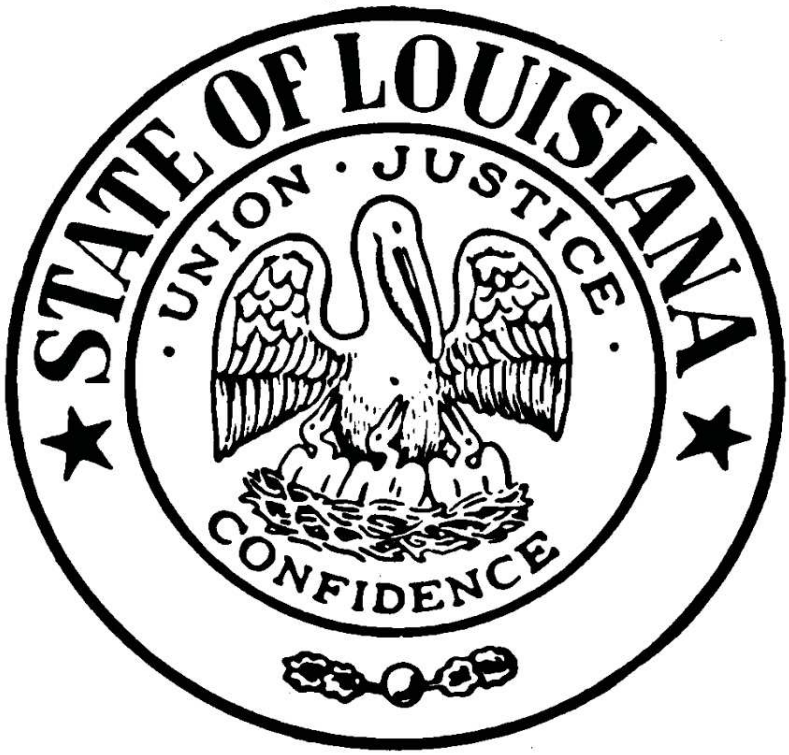
- Katoen Natie USA will invest $150 million to build a plastics storage, custom packing and distributing facility for producers of petrochemical products in Baton Rouge. This project will create approximately 700 new permanent jobs and 150 construction jobs.

Requests for Information

This financial report is designed to provide a general overview of the State's finances for interested parties. Questions concerning any of the information provided in this report or requests for additional financial information may be obtained by writing to the Office of Statewide Reporting and Accounting Policy, P.O. Box 94095, Baton Rouge, LA 70804-9095 or by telephoning (225) 342-0708. The component units of the State issue their own audited financial reports. Telephone numbers for these entities can also be obtained from the Office of Statewide Reporting and Accounting Policy. This report is available on our website at http://www.doa.louisiana.gov/osrap/cafr-2.htm.

BASIC
FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

STATEMENT OF NET POSITION

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL PRIMARY GOVERNMENT	COMPONENT UNITS
ASSETS				
CASH AND CASH EQUIVALENTS	$ 4,071,032	$ 1,456,022	$ 5,527,054	$ 1,596,469
INVESTMENTS	3,346,432	93,853	3,440,285	2,523,205
DERIVATIVE INSTRUMENTS	25,266	--	25,266	--
RECEIVABLES (NET)	2,631,768	113,924	2,745,692	591,290
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	--	--	332,385
AMOUNTS DUE FROM COMPONENT UNITS	121,718	--	121,718	--
DUE FROM FEDERAL GOVERNMENT	2,373,271	22,483	2,395,754	56,711
INTERNAL BALANCES	8,925	(8,925)	--	--
INVENTORIES	74,177	7,159	81,336	31,324
PREPAYMENTS	417,510	1,208	418,718	45,563
NOTES RECEIVABLE	--	636,459	636,459	189,647
OTHER ASSETS	38,320	8,447	46,767	356,803
CAPITAL ASSETS (NOTE 5)				
LAND	2,181,880	41,235	2,223,115	366,235
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	1,576,931	327,762	1,904,693	3,525,348
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	132,673	35,216	167,889	351,955
INFRASTRUCTURE (NET OF DEPRECIATION)	8,271,921	340,582	8,612,503	358,607
INTANGIBLE ASSETS (NET OF AMORTIZATION)	68,814	14,765	83,579	16,991
CONSTRUCTION IN PROGRESS	2,750,698	44,850	2,795,548	980,798
TOTAL ASSETS	28,091,336	3,135,040	31,226,376	11,323,331
LIABILITIES				
ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES	2,617,153	39,811	2,656,964	500,992
ACCRUED INTEREST ON BONDS	60,623	--	60,623	--
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	--	--	121,719
AMOUNTS DUE TO COMPONENT UNITS	332,385	--	332,385	--
DUE TO FEDERAL GOVERNMENT	610,905	9,998	620,903	8,327
DUE TO LOCAL GOVERNMENTS	12,668	--	12,668	--
UNEARNED REVENUE	586,844	18,687	605,531	308,553
TAX REFUNDS PAYABLE	413,796	--	413,796	--
UNCLAIMED PROPERTY LIABILITY	142,864	--	142,864	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	2,976	2,976	42,592
OTHER LIABILITIES	215,684	34,920	250,604	59,715
CURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
CONTRACTS PAYABLE	--	68	68	11,482
COMPENSATED ABSENCES	27,416	2,116	29,532	44,503
CAPITAL LEASE OBLIGATIONS	264	80	344	5,871
NOTES PAYABLE	183	119	302	18,078
BONDS PAYABLE	343,759	19,479	363,238	250,654
POLLUTION REMEDIATION OBLIGATIONS	47,197	--	47,197	12
ESTIMATED LIABILITY FOR CLAIMS	291,075	--	291,075	109,208
OTHER LONG-TERM LIABILITIES	15,216	3,556	18,772	9,517
NONCURRENT PORTION OF LONG-TERM LIABILITIES (NOTE 8):				
CONTRACTS PAYABLE	--	51	51	--
COMPENSATED ABSENCES	158,567	18,326	176,893	144,041
CAPITAL LEASE OBLIGATIONS	210	3,340	3,550	41,994
NOTES PAYABLE	170	1,800	1,970	120,536
BONDS PAYABLE	6,776,389	533,288	7,309,677	3,729,594
OPEB PAYABLE	2,307,880	149,196	2,457,076	1,372,507
POLLUTION REMEDIATION OBLIGATIONS	19,328	--	19,328	50
ESTIMATED LIABILITY FOR CLAIMS	1,619,946	--	1,619,946	31,542
OTHER LONG-TERM LIABILITIES	206,198	5	206,203	428,921
TOTAL LIABILITIES	16,806,720	837,816	17,644,536	7,360,408

The notes to the financial statement are an integral part of this statement.

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL PRIMARY GOVERNMENT	COMPONENT UNITS
DEFERRED INFLOWS OF RESOURCES				
ACCUMULATED CHANGE IN FAIR VALUE OF HEDGING DERIVATIVES	25,266	--	25,266	--
TOTAL DEFERRED INFLOWS OF RESOURCES	25,266	--	25,266	--
NET POSITION				
NET INVESTMENT IN CAPITAL ASSETS	11,573,027	338,894	11,911,921	3,904,564
RESTRICTED FOR:				
BUDGET STABILIZATION	443,869	--	443,869	--
CAPITAL PROJECTS	401,492	1,150	402,642	33,156
COMPONENT UNITS	--	--	--	200,393
CONSERVATION AND ENVIRONMENT	417,942	--	417,942	--
CULTURE, RECREATION, AND TOURISM	643	--	643	--
DEBT SERVICE	269,024	7,907	276,931	345,982
EDUCATION	77,168	--	77,168	--
GENERAL GOVERNMENT	115,115	--	115,115	--
HEALTH AND WELFARE	268,705	--	268,705	--
OTHER PURPOSES	34	103,313	103,347	--
PUBLIC SAFETY	1,461	--	1,461	--
TRANSPORATION AND DEVELOPMENT	34,183	--	34,183	--
UNEMPLOYMENT COMPENSATION	--	879,055	879,055	--
YOUTH SERVICES	1,081	--	1,081	--
PERMANENT FUNDS AND ENDOWMENTS:				
NONEXPENDABLE	2,511,725	--	2,511,725	755,695
EXPENDABLE	178,786	--	178,786	1,079,942
UNRESTRICTED	(5,034,905)	966,905	(4,068,000)	(2,356,809)
TOTAL NET POSITION	$ 11,259,350	$ 2,297,224	$ 13,556,574	$ 3,962,923

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION: PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	PRIMARY GOVERNMENT: BUSINESS-TYPE ACTIVITIES	PRIMARY GOVERNMENT: TOTAL	COMPONENT UNITS
PRIMARY GOVERNMENT:								
GOVERNMENTAL ACTIVITIES:								
GENERAL GOVERNMENT	$ 4,607,483	$ 2,178,896	$ 1,528,684	$ 65,938	$ (833,965)		$ (833,965)	
CULTURE, RECREATION, AND TOURISM	99,582	11,576	6,491	1,325	(80,190)		(80,190)	
TRANSPORTATION AND DEVELOPMENT	1,312,998	63,437	136,235	723,943	(389,383)		(389,383)	
PUBLIC SAFETY	336,143	310,738	44,854	87	19,536		19,536	
HEALTH AND WELFARE	10,071,069	276,815	7,476,610	--	(2,317,644)		(2,317,644)	
CORRECTIONS	657,028	43,518	1,435	--	(612,075)		(612,075)	
YOUTH SERVICES	106,779	793	1,341	71	(104,574)		(104,574)	
CONSERVATION AND ENVIRONMENT	343,487	812,599	26,318	--	495,430		495,430	
EDUCATION	6,705,462	37,810	1,086,233	257,929	(5,323,490)		(5,323,490)	
OTHER	29,369	--	--	--	(29,369)		(29,369)	
INTERGOVERNMENTAL	515,763	1,678	--	--	(514,085)		(514,085)	
INTEREST ON LONG-TERM DEBT	305,746	--	--	--	(305,746)		(305,746)	
TOTAL GOVERNMENTAL ACTIVITIES	25,090,909	3,737,860	10,308,201	1,049,293	(9,995,555)		(9,995,555)	
BUSINESS-TYPE ACTIVITIES:								
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	492,782	107,259	52,291	38,166		$ (295,066)	(295,066)	
UNEMPLOYMENT TRUST FUND	339,852	284,229	103,206	--		47,583	47,583	
NONMAJOR ENTERPRISE FUNDS	113,017	97,629	7,292	44,229		36,133	36,133	
TOTAL BUSINESS-TYPE ACTIVITIES	945,651	489,117	162,789	82,395		(211,350)	(211,350)	
TOTAL PRIMARY GOVERNMENT	$ 26,036,560	$ 4,226,977	$ 10,470,990	$ 1,131,688	(9,995,555)	(211,350)	(10,206,905)	
COMPONENT UNITS:								
STATE UNIVERSITIES:								
LOUISIANA STATE UNIVERSITY SYSTEM	$ 3,375,443	$ 1,671,542	$ 434,167	$ 322,521				$ (947,213)
UNIVERSITY OF LOUISIANA SYSTEM	1,293,008	551,210	147,086	28,770				(565,942)
SOUTHERN UNIVERSITY SYSTEM	245,678	65,505	46,708	9,384				(124,081)
BOARD OF REGENTS	53,052	633	7,620	--				(44,799)
AUTHORITIES:								
LOUISIANA LOTTERY CORPORATION	449,746	447,380	--	--				(2,366)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	149,574	44,988	11,321	14,199				(79,066)
OTHER COMPONENT UNITS	986,042	421,513	208,377	30,658				(325,494)
TOTAL COMPONENT UNITS	$ 6,552,543	$ 3,202,771	$ 855,279	$ 405,532				(2,088,961)
GENERAL REVENUES:								
INCOME TAXES					2,903,025		2,903,025	
SALES TAXES					2,858,889		2,858,889	
SEVERANCE TAXES					840,966		840,966	
GASOLINE TAXES, restricted for transportation					619,379		619,379	
TOBACCO TAXES					123,497		123,497	
MISCELLANEOUS TAXES					809,783		809,783	
TOBACCO SETTLEMENT, restricted for education, health and welfare					226,328		226,328	
GAMING					835,470		835,470	
UNRESTRICTED INVESTMENT LOSS					(23,149)		(23,149)	
MISCELLANEOUS					3,303		3,303	1,279,613
OTHER					10,838	153,590	164,428	916,574
TRANSFERS					(115,210)	115,210	--	--
TOTAL GENERAL REVENUES AND TRANSFERS					9,093,119	268,800	9,361,919	2,196,187
CHANGE IN NET POSITION					(902,436)	57,450	(844,986)	107,226
NET POSITION - BEGINNING AS RESTATED					12,161,786	2,239,774	14,401,560	3,855,697
NET POSITION - ENDING					$ 11,259,350	$ 2,297,224	$ 13,556,574	$ 3,962,923

The notes to the financial statements are an integral part of this statement.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Major Funds

GENERAL FUND

The General Fund, the principal operating fund of the State, was established administratively to provide for the distribution of funds appropriated by the State Legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are accounted for in the General Fund. Revenues are provided from the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt service requirements have been met.

BOND SECURITY AND REDEMPTION FUND

This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations or other forms of assistance when the terms and conditions of the related agreements require otherwise.

Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the state, due and payable, within the current fiscal year, including principal, interest, premiums, and sinking or reserve funds. Except as other wise provided by law, money remaining in the fund is credited to the General Fund.

LOUISIANA EDUCATION QUALITY TRUST FUND

Once requirements of the Bond Security and Redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf are deposited by the Treasurer in this fund. The funds are held in a trustee capacity and interest earned is used for various educational purposes.

CAPITAL OUTLAY ESCROW FUND

The Capital Outlay Escrow Fund was created to provide for the capital outlay expenditures of the State as appropriated in the annual capital outlay appropriations act. The fund accounts for a large volume of ongoing and new construction, routine maintenance and repairs, as well as repairs and renovations related to the damage caused by hurricanes. The fund is financed by bond issues, federal funds, self-generated revenues, statutory dedications, and appropriations by the Louisiana Legislature.

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	CAPITAL OUTLAY ESCROW FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:						
CASH AND CASH EQUIVALENTS	$ 2,518,651	$ 349,143	$ 535,255	$ 28,118	$ 628,310	$ 4,059,477
INVESTMENTS	563,158	--	7,090	1,170,373	1,536,802	3,277,423
RECEIVABLES (NET)	369,534	1,665,431	13,803	3	13,251	2,062,022
DUE FROM OTHER FUNDS	1,047,606	282,717	130,270	1,814	105,499	1,567,906
AMOUNTS DUE FROM COMPONENT UNITS	106,247	15,471	--	--	--	121,718
DUE FROM FEDERAL GOVERNMENT	2,009,954	--	3,033	--	67,175	2,080,162
INVENTORIES	73,780	--	--	--	--	73,780
PREPAYMENTS	417,481	--	--	--	--	417,481
OTHER ASSETS	26	--	--	--	--	26
TOTAL ASSETS	$ 7,106,437	$ 2,312,762	$ 689,451	$ 1,200,308	$ 2,351,037	$ 13,659,995
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
ACCOUNTS PAYABLE AND ACCRUALS	$ 1,893,962	$ 313	$ 244,919	$ --	$ 7,050	$ 2,146,244
TAX REFUNDS PAYABLE	--	413,796	--	--	--	413,796
UNCLAIMED PROPERTY LIABILITY	142,864	--	--	--	--	142,864
OTHER PAYABLES	5,484	--	--	--	--	5,484
DUE TO OTHER FUNDS	305,639	1,071,136	492	8,049	173,665	1,558,981
AMOUNTS DUE TO COMPONENT UNITS	327,080	--	--	5,305	--	332,385
DUE TO FEDERAL GOVERNMENT	606,942	--	--	--	--	606,942
DUE TO LOCAL GOVERNMENTS	12,668	--	--	--	--	12,668
DEFERRED REVENUES	480,647	827,517	140,470	--	1,652	1,450,286
ESTIMATED LIABILITY FOR CLAIMS	117,399	--	--	--	--	117,399
OTHER LIABILITIES	--	--	--	--	33	33
TOTAL LIABILITIES	3,892,685	2,312,762	385,881	13,354	182,400	6,787,082
FUND BALANCES:						
NONSPENDABLE	73,780	--	--	1,121,304	1,390,421	2,585,505
RESTRICTED	1,270,682	--	11,080	65,650	727,782	2,075,194
COMMITTED	1,608,089	--	292,490	--	50,434	1,951,013
ASSIGNED	224,672	--	--	--	--	224,672
UNASSIGNED	36,529	--	--	--	--	36,529
TOTAL FUND BALANCES	3,213,752	--	303,570	1,186,954	2,168,637	6,872,913
TOTAL LIABILITIES AND FUND BALANCES	$ 7,106,437	$ 2,312,762	$ 689,451	$ 1,200,308	$ 2,351,037	$ 13,659,995

The notes to the financial statements are an integral part of this statement.

State of Louisiana

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

(Expressed in Thousands)

Total Fund Balances - Governmental Funds		$ 6,872,913
Amounts reported for governmental activities in the Statement of Net Position is different due to the following:		
Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements. These assets consist of the following:		
Land	$ 2,181,579	
Buildings and Improvements	2,365,849	
Machinery and Equipment	781,560	
Infrastructure	23,640,333	
Intangible Assets	106,761	
Construction in Progress	2,750,698	
Accumulated Depreciation and Amortization	(16,845,630)	14,981,150
Net position of the internal service funds is reported separately in the proprietary funds, but is included in governmental activities in the government-wide statements.		24,939
Bonds issued by the State have associated costs that are paid from current available financial resources in the funds. These costs are deferred on the statement of net position.		32,942
The annual required contributions to certain pension plans have been under-funded, creating a year-end liability, which is not reported in the funds.		(215,651)
The other postemployment benefits (OPEB) annual required contributions have been under-funded, creating a year-end liability, which is not reported in the funds.		(2,298,850)
Some liabilities are not due and payable from current financial resources and are, therefore not reported in the funds. These liabilities consist of the following:		
Compensated Absences	(185,513)	
Capital Lease Obligations	(474)	
Bonds Payable	(7,120,148)	
Pollution Remediation Obligations	(21,800)	
Estimated Liabilities for Claims	(1,793,622)	
Accrued Interest Payable	(60,623)	
Due to Federal Government	(3,963)	
Other Liabilities	(161,861)	(9,348,004)
Some of the State's revenues will be collected after year-end but are not available to pay for the current period's expenditures and are not reported in the funds. Those revenues consist of the following:		
Accounts Receivable	562,305	
Due From Federal Government	293,109	
Deferred Revenues	818,998	1,674,412
Some payables do not meet the criteria for reporting under the modified accrual basis of accounting and are not reported in the fund level statements.		(464,501)
Net Position of Governmental Activities		$ 11,259,350

The notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	GENERAL FUND	BOND SECURITY AND REDEMPTION FUND	CAPITAL OUTLAY ESCROW FUND	LOUISIANA EDUCATION QUALITY TRUST FUND	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
INTERGOVERNMENTAL REVENUES	$ 10,228,621	$ 96,700	$ 389,362	$ --	$ 829,198	$ 11,543,881
TAXES	--	7,981,816	--	--	170,466	8,152,282
GAMING	--	838,500	--	--	--	838,500
TOBACCO SETTLEMENT	--	84,250	--	--	126,375	210,625
USE OF MONEY AND PROPERTY	(80,800)	730,900	(158)	29,274	4,778	683,994
LICENSES, PERMITS, AND FEES	10,326	809,010	--	--	67,129	886,465
SALES OF COMMODITIES AND SERVICES	--	876,564	--	--	--	876,564
POLLUTION REMEDIATION SETTLEMENT	87,519	--	--	--	--	87,519
OTHER	41,396	634,060	--	638	12,019	688,113
TOTAL REVENUES	10,287,062	12,051,800	389,204	29,912	1,209,965	23,967,943
EXPENDITURES						
CURRENT:						
GENERAL GOVERNMENT	4,045,115	20,598	--	--	--	4,065,713
CULTURE, RECREATION, AND TOURISM	85,632	--	--	--	1,225	86,857
TRANSPORTATION AND DEVELOPMENT	437,582	--	--	--	1,197	438,779
PUBLIC SAFETY	310,727	--	--	--	1,500	312,227
HEALTH AND WELFARE	10,006,567	--	--	--	--	10,006,567
CORRECTIONS	627,148	--	--	--	--	627,148
YOUTH SERVICES	98,823	--	--	--	--	98,823
CONSERVATION AND ENVIRONMENT	275,245	--	--	--	--	275,245
EDUCATION	6,304,682	--	--	29,332	400	6,334,414
OTHER	20,239	--	--	--	645	20,884
INTERGOVERNMENTAL	456,230	--	--	--	59,533	515,763
CAPITAL OUTLAY	--	--	1,843,811	--	--	1,843,811
DEBT SERVICE:						
PRINCIPAL RETIREMENT	40,188	190,225	--	--	99,230	329,643
INTEREST AND FISCAL CHARGES	25,679	113,683	--	--	176,015	315,377
TOTAL EXPENDITURES	22,733,857	324,506	1,843,811	29,332	339,745	25,271,251
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,446,795)	11,727,294	(1,454,607)	580	870,220	(1,303,308)
OTHER FINANCING SOURCES (USES)						
TRANSFERS IN	12,044,109	137,186	1,105,712	61,749	672,741	14,021,497
TRANSFERS OUT	(372,940)	(11,897,472)	(130,766)	(23,000)	(1,697,529)	(14,121,707)
PAYMENTS TO REFUNDED BOND ESCROW AGENT	--	(168,915)	--	--	(476,125)	(645,040)
LONG-TERM DEBT ISSUED	85,400	--	300,000	--	--	385,400
REFUNDING BONDS	--	157,855	--	--	476,125	633,980
LONG-TERM DEBT ISSUED - PREMIUMS	14,773	44,052	--	--	--	58,825
INSURANCE RECOVERY	221,489	--	--	--	--	221,489
TOTAL OTHER FINANCING SOURCES (USES)	11,992,831	(11,727,294)	1,274,946	38,749	(1,024,788)	554,444
NET CHANGE IN FUND BALANCES	(453,964)	--	(179,661)	39,329	(154,568)	(748,864)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	3,669,771	--	483,231	1,147,625	2,323,205	7,623,832
DECREASE IN RESERVES FOR INVENTORIES	(2,055)	--	--	--	--	(2,055)
FUND BALANCES AT END OF YEAR	$ 3,213,752	$ --	$ 303,570	$ 1,186,954	$ 2,168,637	$ 6,872,913

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Change in Fund Balances of Governmental Funds to the Statement of Activities

(Expressed in Thousands)

Net Change in Fund Balances - Total Governmental Funds		$ (748,864)
Amounts reported for governmental activities in the Statement of Activities are different due to the following:		
Governmental funds report capital outlays as expenditures; however these outlays are capitalized and allocated over their estimated useful lives and reported as depreciation expense. The following are the differences between the amounts of capital outlays and depreciation expense by capital asset category for the period:		
Land	$ 1,938	
Buildings and Improvements	(83,964)	
Machinery and Equipment	(23,128)	
Infrastructure	252,230	
Intangible Assets	(6,827)	
Construction in Progress	63,663	203,912
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		28,658
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Bond Proceeds and Premiums Received	(1,077,569)	
Repayment of Bond Principal	332,741	
Payment to Refunded Bond Escrow Agent	644,900	
Amortization of Bond Premiums	37,972	
Amortization of Bond Discounts	(777)	
Amortization of Issuance Costs	(485)	
Amortization of Deferred Refunding Costs	2,094	(61,124)
The net results of current year operations of internal service funds is included in the net income of the proprietary funds, but is presented as part of the primary government for government-wide statements.		(12,125)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. The amounts below represent the difference between the expenses incurred on the statement of activities and the current financial resources expended.		
Compensated Absences	15,885	
Capital Lease Obligations	867	
Accrued Interest	(12,882)	
Estimated Liabilities for Claims	(88,156)	
OPEB Payable	(168,570)	
Pension Obligations	(55,260)	
Pollution Remediation Obligations	4,082	
Other Payables	(6,804)	(310,838)
Revenues and expenses relating to changes in inventory are not reported in the funds. Current year inventory activity must be reported on the government-wide statements.		(2,055)
Change in Net Position of Governmental Activities		$ (902,436)

The notes to the financial statements are an integral part of this statement.

PROPRIETARY FUND FINANCIAL STATEMENTS

PROPRIETARY FUND FINANCIAL STATEMENTS

Major Fund

UNEMPLOYMENT TRUST FUND

The Unemployment Trust Fund accounts for the unemployment insurance contributions from employers and for the payment of unemployment benefits to eligible claimants.

LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM

The Louisiana Community and Technical College System provide strategic management and support for seven community colleges, four technical community colleges, and two technical colleges. LCTCS has forty-nine campuses. The colleges award associates degrees, technical diplomas, and industry-based certificates in programs that are aligned with business and industry and local economies.

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				
	UNEMPLOYMENT TRUST FUND	LOUISIANA COMMUNITY AND TECHNICAL COLLEGES SYSTEM	NONMAJOR ENTERPRISE FUNDS	TOTAL	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ 841,364	$ 93,006	$ 452,641	$ 1,387,011	$ 11,555
RESTRICTED CASH AND CASH EQUIVALENTS	--	--	15	15	--
INVESTMENTS	--	--	10,458	10,458	41,210
RESTRICTED INVESTMENTS	--	--	--	--	16,162
RECEIVABLES (NET)	80,903	25,257	5,825	111,985	7,441
DUE FROM OTHER FUNDS	--	4,948	1,080	6,028	--
DUE FROM FEDERAL GOVERNMENT	3,800	18,000	683	22,483	--
INVENTORIES	--	14	7,145	7,159	397
PREPAYMENTS	--	1,084	124	1,208	29
NOTES RECEIVABLE	--	--	49,081	49,081	--
OTHER CURRENT ASSETS	--	635	260	895	103
TOTAL CURRENT ASSETS	926,067	142,944	527,312	1,596,323	76,897
NONCURRENT ASSETS:					
RESTRICTED ASSETS					
CASH	--	61,596	7,400	68,996	--
INVESTMENTS	--	67,343	14,371	81,714	11,637
RECEIVABLES	--	60	1,879	1,939	--
INVESTMENTS	--	--	1,681	1,681	--
NOTES RECEIVABLE	--	21	587,357	587,378	--
CAPITAL ASSETS (NOTE 5)				--	
LAND	--	29,881	11,354	41,235	301
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	--	275,156	52,606	327,762	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	--	28,868	6,348	35,216	1,466
INFRASTRUCTURE (NET OF DEPRECIATION)	--	--	340,582	340,582	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	--	14,615	150	14,765	--
CONSTRUCTION IN PROGRESS	--	44,639	211	44,850	--
OTHER NONCURRENT ASSETS	--	3,975	3,577	7,552	5,249
TOTAL NONCURRENT ASSETS	--	526,154	1,027,516	1,553,670	18,653
TOTAL ASSETS	$ 926,067	$ 669,098	$ 1,554,828	$ 3,149,993	$ 95,550
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 108	$ 33,982	$ 5,721	$ 39,811	$ 924
DUE TO OTHER FUNDS	--	603	14,350	14,953	--
DUE TO FEDERAL GOVERNMENT	9,883	115	--	9,998	--
DEFERRED REVENUES	2,648	10,596	5,443	18,687	281
AMOUNT HELD IN CUSTODY FOR OTHERS	1,008	1,893	75	2,976	--
OTHER CURRENT LIABILITIES	33,365	474	1,081	34,920	--
CURRENT PORTION OF LONG-TERM LIABILITIES:				--	
CONTRACTS PAYABLE	--	68	--	68	--
COMPENSATED ABSENCES PAYABLE	--	1,789	327	2,116	46
CAPITAL LEASE OBLIGATIONS	--	80	--	80	--
NOTES PAYABLE	--	--	119	119	183
BONDS PAYABLE	--	10,140	9,339	19,479	--
OTHER LONG-TERM LIABILITIES	--	3,556	--	3,556	10,449
TOTAL CURRENT LIABILITIES	47,012	63,296	36,455	146,763	11,883
NONCURRENT LIABILITIES:					
NON-CURRENT PORTION OF LONG-TERM LIABILITIES:					
CONTRACTS PAYABLE	--	51	--	51	--
COMPENSATED ABSENCES PAYABLE	--	16,729	1,597	18,326	424
CAPITAL LEASE OBLIGATIONS	--	3,340	--	3,340	--
NOTES PAYABLE	--	--	1,800	1,800	170
BONDS PAYABLE (NET OF UNAMORTIZED DISCOUNTS)	--	317,713	215,575	533,288	--
OPEB PAYABLE	--	128,027	21,169	149,196	9,030
OTHER LONG-TERM LIABILITIES	--	--	5	5	49,104
TOTAL NONCURRENT LIABILITIES	--	465,860	240,146	706,006	58,728
TOTAL LIABILITIES	47,012	529,156	276,601	852,769	70,611
NET POSITION					
NET INVESTMENT IN CAPITAL ASSETS	--	145,932	192,962	338,894	1,414
RESTRICTED FOR CAPITAL PROJECTS	--	--	1,150	1,150	--
RESTRICTED FOR DEBT SERVICE	--	--	7,907	7,907	27,799
RESTRICTED FOR UNEMPLOYMENT COMPENSATION	879,055	--	--	879,055	--
RESTRICTED FOR OTHER SPECIFIC PURPOSES	--	100,767	2,546	103,313	--
UNRESTRICTED	--	(106,757)	1,073,662	966,905	(4,274)
TOTAL NET POSITION	879,055	139,942	1,278,227	2,297,224	24,939
TOTAL LIABILITIES AND NET POSITION	$ 926,067	$ 669,098	$ 1,554,828	$ 3,149,993	$ 95,550

The notes to the financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	UNEMPLOYMENT TRUST FUND	LOUISIANA COMMUNITY AND TECHNICAL COLLEGES SYSTEM	NONMAJOR ENTERPRISE FUNDS	TOTAL	
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	$ --	$ 104,477	41,990	$ 146,467	$ 51,455
ASSESSMENTS	264,150	--	7,844	271,994	--
USE OF MONEY AND PROPERTY	20,079	--	11,208	31,287	30,683
LICENSES, PERMITS, AND FEES	--	--	33,780	33,780	--
FEDERAL GRANTS AND CONTRACTS	103,206	35,593	6,069	144,868	--
OTHER	--	17,563	2,753	20,316	--
TOTAL OPERATING REVENUES	387,435	157,633	103,644	648,712	82,138
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	--	345,880	39,086	384,966	40,568
ADMINISTRATIVE	--	115,331	46,273	161,604	40,549
DEPRECIATION	--	17,905	14,874	32,779	503
AMORTIZATION	--	1,769	496	2,265	136
UNEMPLOYMENT INSURANCE BENEFITS	339,852	--	--	339,852	--
TOTAL OPERATING EXPENSES	339,852	480,885	100,729	921,466	81,756
OPERATING INCOME (LOSS)	47,583	(323,252)	2,915	(272,754)	382
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL	--	10,000	414	10,414	--
USE OF MONEY AND PROPERTY	--	--	88	88	10,064
GAIN ON DISPOSAL OF FIXED ASSETS	--	--	327	327	--
LOSS ON DISPOSAL OF FIXED ASSETS	--	--	(729)	(729)	--
FEDERAL GRANTS	--	138,455	--	138,455	--
INTEREST EXPENSE	--	(11,897)	(7,838)	(19,735)	(8,490)
OTHER REVENUES	71	3,031	3,315	6,417	919
OTHER EXPENSES	--	--	(2,638)	(2,638)	--
TOTAL NONOPERATING REVENUES (EXPENSES)	71	139,589	(7,061)	132,599	2,493
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	47,654	(183,663)	(4,146)	(140,155)	2,875
CAPITAL CONTRIBUTIONS	--	38,166	44,229	82,395	--
TRANSFERS IN	--	129,013	17,221	146,234	--
TRANSFERS OUT	--	(602)	(30,422)	(31,024)	(15,000)
CHANGE IN NET POSITION	47,654	(17,086)	26,882	57,450	(12,125)
TOTAL NET POSITION - BEGINNING AS RESTATED *	831,401	157,028	1,251,345	2,239,774	37,064
TOTAL NET POSITION - ENDING	$ 879,055	$ 139,942	$ 1,278,227	$ 2,297,224	$ 24,939

The notes to the financial statements are an integral part of this statement.

* The Louisiana Community and Technical Colleges System has been reclassified from a discretely presented component unit to an enterprise fund.

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	UNEMPLOYMENT TRUST FUND	LOUISIANA COMMUNITY AND TECHNICAL COLLEGES SYSTEM	NONMAJOR ENTERPRISE FUNDS	TOTAL	
CASH FLOWS FROM OPERATING ACTIVITIES:					
CASH RECEIPTS FROM CUSTOMERS	$ 255,987	$ 152,503	$ 248,433	$ 656,923	$ 82,640
CASH RECEIPTS FROM INTERFUND SERVICES PROVIDED	--	--	1,714	1,714	--
OTHER OPERATING CASH RECEIPTS	123,286	9,846	1,755	134,887	--
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(346,338)	(109,365)	(127,955)	(583,658)	(81,141)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	--	(257,130)	(28,418)	(285,548)	(10,369)
CASH PAYMENTS FOR INTERFUND SERVICES USED, INCLUDING PAYMENTS IN LIEU OF TAXES	--	--	(29,137)	(29,137)	--
CASH PAYMENTS FOR SCHOLARSHIPS AND FELLOWSHIPS	--	(76,093)	--	(76,093)	--
OTHER OPERATING REVENUES	(1,324)	--	(3,077)	(4,401)	198
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	31,611	(280,239)	63,315	(185,313)	(8,672)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
STATE APPROPRIATIONS	--	--	--	--	2,501
PROCEEDS FROM ISSUANCE OF BONDS AND NOTES	--	--	17,845	17,845	--
PRINCIPAL PAID ON BONDS AND NOTES	--	--	(17,536)	(17,536)	--
INTEREST PAID ON BONDS AND NOTES	--	--	(1)	(1)	--
DIRECT LENDING RECEIPTS	--	128,081	--	128,081	--
DIRECT LENDING REIMBURSEMENTS	--	(129,868)	--	(129,868)	--
OPERATING GRANTS RECEIVED	--	137,994	588	138,582	--
TRANSFERS IN	--	124,282	17,221	141,503	--
TRANSFERS OUT	--	--	(1,023)	(1,023)	(15,000)
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	--	260,489	17,094	277,583	(12,499)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
PROCEEDS FROM ISSUANCE OF BONDS AND NOTES	--	55,822	7,749	63,571	161
PRINCIPAL PAID ON BONDS AND NOTES	--	(11,738)	(14,689)	(26,427)	(22,582)
INTEREST PAID ON BONDS AND NOTES	--	(12,648)	(3,422)	(16,070)	(8,902)
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	--	(55,021)	(3,748)	(58,769)	(467)
PROCEEDS FROM SALE OF CAPITAL ASSETS	--	--	452	452	--
DEPOSITS WITH TRUSTEE	--	(58,232)	--	(58,232)	--
CAPITAL CONTRIBUTIONS	--	31,828	40,285	72,113	--
DEFERRED PROCEEDS FROM CAPITAL LEASES	--	--	--	--	28,738
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	--	(49,989)	26,627	(23,362)	(3,052)
CASH FLOWS FROM INVESTING ACTIVITIES:					
PURCHASES OF INVESTMENT SECURITIES	--	(199)	(18,511)	(18,710)	25,591
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	--	7,739	18,941	26,680	4,917
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	--	1,067	274	1,341	412
NET CASH PROVIDED BY INVESTING ACTIVITIES	--	8,607	704	9,311	30,920
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,611	(61,132)	107,740	78,219	6,697
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR AS RESTATED *	809,753	215,734	352,316	1,377,803	4,858
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 841,364	$ 154,602	$ 460,056	$ 1,456,022	$ 11,555
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	$ 47,583	$ (323,252)	$ 2,915	$ (272,754)	$ 382
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
DEPRECIATION/AMORTIZATION	--	19,674	15,370	35,044	639
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	--	--	(10)	(10)	--
OTHER	--	16,144	(7,770)	8,374	(139)
CHANGES IN ASSETS AND LIABILITIES:					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(9,775)	(2,340)	(377)	(12,492)	1,043
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	3,318	--	(641)	2,677	--
(INCREASE)DECREASE IN PREPAYMENTS	--	(625)	48	(577)	--
(INCREASE)DECREASE IN INVENTORIES	--	273	424	697	(13)
(INCREASE)DECREASE IN OTHER ASSETS	--	(113)	53,222	53,109	--
INCREASE(DECREASE) IN ACCOUNTS PAYABLE AND ACCRUALS	--	(736)	(1,456)	(2,192)	(349)
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	--	414	(5)	409	(102)
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	3,552	--	177	3,729	(4)
INCREASE(DECREASE) IN DEFERRED REVENUES	(3,932)	236	375	(3,321)	(53)
INCREASE(DECREASE) IN OPEB PAYABLE	--	9,146	1,590	10,736	638
INCREASE(DECREASE) IN OTHER LIABILITIES	(9,135)	940	(547)	(8,742)	(10,714)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 31,611	$ (280,239)	$ 63,315	$ (185,313)	$ (8,672)

(Continued)

The notes to the financial statements are an integral part of this statement.

* The Louisiana Community and Technical Colleges System has been reclassified from a discretely presented component unit to an enterprise fund.

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2013
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	
NONCASH CAPITAL GRANT/GIFT OF CAPITAL ASSETS	3,763
CAPITALIZED INTEREST AND AMORTIZATION	1,647
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	
BORROWING UNDER CAPITAL LEASE	156
DISPOSAL OF FIXED ASSETS	148
LOUISIANA TRANSPORTATION AUTHORITY	
CONTRIBUTIONS OF FIXED ASSETS	3,351

(Concluded)

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUND FINANCIAL STATEMENTS

FIDUCIARY FUND FINANCIAL STATEMENTS

FIDUCIARY FUNDS

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds* account for the portion of the government's investment pools that belong to others.
- *Private-purpose trust funds* report all other trust arrangements benefiting those outside the government. Currently, the Louisiana Education Tuition and Savings Fund is the only private-purpose trust fund Louisiana maintains.
- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity and do not involve measurement of results of operations. Among the largest of the agency funds are the Escrow Fund, Insurance Trusts, Payroll Clearing Fund, and the Miscellaneous Agency Funds.

The State Treasury maintains three separate investment trust funds. Investment trust funds are:

- Louisiana Asset Management Pool
- Patients' Compensation Board Investment Trust Fund
- Education Excellence Local Government Investment Trust Fund

Four separate pension trust funds are maintained for state government employees, teachers, and law enforcement officers. The pension funds are as follows:

- Louisiana School Employees' Retirement System
- Louisiana State Employees' Retirement System
- Louisiana State Police Retirement System
- Teachers' Retirement System of Louisiana

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUNDS	PRIVATE PURPOSE TRUST FUND	AGENCY FUNDS
ASSETS				
CASH AND CASH EQUIVALENTS	$ 306,263	$ 389,171	$ --	$ 497,511
RECEIVABLES:				
EMPLOYER CONTRIBUTIONS	206,858	--	--	--
MEMBER CONTRIBUTIONS	71,873	--	--	--
INVESTMENT PROCEEDS	1,221,177	--	--	--
INTEREST AND DIVIDENDS	66,364	838	987	--
OTHER	20,654	214	--	147,931
TOTAL RECEIVABLES	1,586,926	1,052	987	147,931
INVESTMENTS (AT FAIR VALUE):				
SHORT TERM INVESTMENTS	1,359,047	831,551	--	--
U. S. GOVERNMENT AND AGENCY OBLIGATIONS	1,060,284	548,451	82,393	--
BONDS - DOMESTIC	1,830,556	10,004	--	--
BONDS - INTERNATIONAL	1,588,970	6,003	--	--
MARKETABLE SECURITIES - DOMESTIC	8,211,438	435,100	--	--
MARKETABLE SECURITIES - INTERNATIONAL	5,863,556	3,242	--	--
ALTERNATIVE INVESTMENTS	7,194,034	--	--	--
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	3,090,297	--	--	--
REPURCHASE AGREEMENTS	--	390,858	--	--
OTHER	2,008	--	356,297	202,416
INVESTMENTS (AT CONTRACT VALUE):				
SYNTHETIC GUARANTEED INVESTMENT CONTRACT	399,101	--	--	--
TOTAL INVESTMENTS	30,599,291	2,225,209	438,690	202,416
OTHER ASSETS	--	9	--	49
PROPERTY, PLANT AND EQUIPMENT (NET)	15,223	36	--	--
TOTAL ASSETS	32,507,703	2,615,477	439,677	847,907
LIABILITIES				
ACCOUNTS PAYABLE	31,181	156	16,569	--
INVESTMENT COMMITMENTS PAYABLE	1,366,560	--	--	--
AMOUNTS HELD IN CUSTODY FOR OTHERS	--	--	--	651,550
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	3,098,366	--	--	--
OPEB PAYABLE	20,691	--	--	--
REFUNDS PAYABLE AND OTHER	10,774	53	--	--
OTHER LIABILITIES	--	--	--	196,357
TOTAL LIABILITIES	4,527,572	209	16,569	847,907
NET POSITION				
HELD IN TRUST FOR:				
EMPLOYEES' PENSION BENEFITS	27,980,131	--	--	--
INVESTMENT POOL PARTICIPANTS	--	2,615,268	--	--
INDIVIDUALS, PRIVATE ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	423,108	--
TOTAL NET POSITION	$ 27,980,131	$ 2,615,268	$ 423,108	$ --

The notes to the financial statements are an integral part of this statement.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	PENSION TRUST FUNDS	INVESTMENT TRUST FUNDS	PRIVATE PURPOSE TRUST FUND
ADDITIONS			
CONTRIBUTIONS:			
EMPLOYER	$ 1,764,298	$ --	$ --
MEMBERS	526,680	--	--
POOL PARTICIPANTS (DEPOSITS)	--	1,638,234	--
TOTAL CONTRIBUTIONS	2,290,978	1,638,234	--
INVESTMENT INCOME:			
NET INCREASE (DECREASE) IN FAIR VALUE OF INVESTMENTS	2,394,663	(17,250)	18,245
INTEREST AND DIVIDENDS	536,717	16,277	9,877
ALTERNATIVE INVESTMENT INCOME	309,257	--	--
LESS ALTERNATIVE INVESTMENT EXPENSES	(65,799)	--	--
GAIN ON SALE OF INVESTMENT	--	51	--
SECURITIES LENDING INCOME	15,722	--	--
LESS SECURITIES LENDING EXPENSES	(1,416)	--	--
OTHER INVESTMENT INCOME	(1,284)	1,492	--
LESS INVESTMENT EXPENSE OTHER THAN ALTERNATIVE INVESTMENTS AND SECURITIES LENDING	(68,813)	--	--
NET INVESTMENT INCOME	3,119,047	570	28,122
OTHER INCOME	150,144	--	63,390
TOTAL ADDITIONS	5,560,169	1,638,804	91,512
DEDUCTIONS			
RETIREMENT BENEFITS	3,065,825	--	--
REFUNDS OF CONTRIBUTIONS	125,978	--	--
ADMINISTRATIVE EXPENSES	38,562	2,423	--
DEPRECIATION AND AMORTIZATION EXPENSES	2,571	--	--
DISTRIBUTIONS TO POOL PARTICIPANTS	--	1,627,946	--
OTHER	627	--	25,836
TOTAL DEDUCTIONS	3,233,563	1,630,369	25,836
CHANGE IN NET POSITION HELD IN TRUST FOR:			
EMPLOYEES' PENSION BENEFITS	2,326,606	--	--
INVESTMENT POOL PARTICIPANTS	--	8,435	--
INDIVIDUALS, PRIVATE ORGANIZATIONS, AND OTHER GOVERNMENTS	--	--	65,676
NET POSITION - BEGINNING OF YEAR	25,653,525	2,606,833	357,432
NET POSITION - END OF YEAR	$ 27,980,131	$ 2,615,268	$ 423,108

The notes to the financial statements are an integral part of this statement.

COMPONENT UNIT FINANCIAL STATEMENTS

COMPONENT UNIT FINANCIAL STATEMENTS

Major Component Units

COLLEGES AND UNIVERSITIES

The college and university funds are used to account for the transactions relating to public institutions of higher education. The university systems are listed below. Louisiana Community and Technical College System is listed with the enterprise funds.

- Louisiana State University System includes Louisiana State University and A&M College and Louisiana State University Agricultural Center at Baton Rouge, Louisiana State University at Alexandria, Louisiana State University at Eunice, Louisiana State University Medical Center at New Orleans, Louisiana State University Medical Center at Shreveport, Paul M. Hebert Law Center at Baton Rouge, and Pennington Biomedical Research Center at Baton Rouge. Louisiana State University's Board of Supervisors also operates the general medical facilities in the state.

- Southern University System includes Southern University and A&M College and Southern University Agricultural Research and Extension Center at Baton Rouge, Southern University at New Orleans, Southern University at Shreveport, and Southern University Law Center at Baton Rouge.

- University of Louisiana System includes Grambling State University at Grambling, Louisiana Tech University at Ruston, McNeese State University at Lake Charles, Nicholls State University at Thibodaux, Southeastern Louisiana University at Hammond, Northwestern State University at Natchitoches, University of Louisiana at Monroe, University of Louisiana at Lafayette, and University of New Orleans at New Orleans.

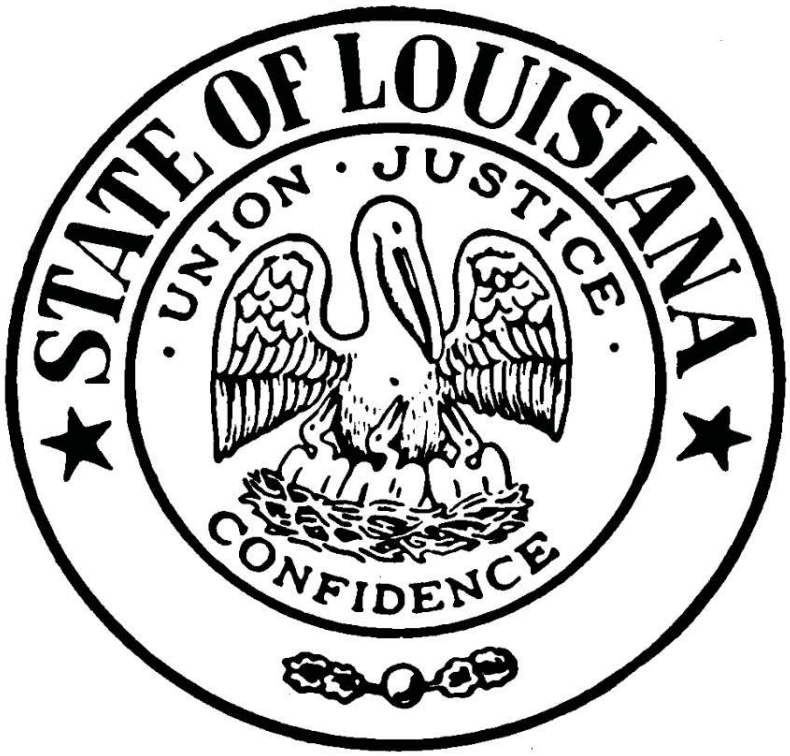
- Board of Regents is the policy making board for each of the university systems listed above and each System's Board of Supervisors.

LOUISIANA STADIUM AND EXPOSITION DISTRICT

The purpose of the district is to plan, finance, construct, develop, maintain, and operate facilities, including an enclosed and covered stadium within the district for various sporting events, exhibitions, and public meetings. The District is responsible for servicing and retiring the principal and interest on all bonds issued.

LOUISIANA LOTTERY CORPORATION

The Louisiana Lottery Corporation was created to conduct and administer lottery games in the state. Quarterly, the corporation transfers net revenues determined to be surplus to its needs, but not less than 35% of gross revenues each year to the Lottery Proceeds Fund.


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

COMBINING STATEMENT OF NET POSITION

COMPONENT UNITS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	LOUISIANA STATE UNIVERSITY SYSTEM	UNIVERSITY OF LOUISIANA SYSTEM	SOUTHERN UNIVERSITY SYSTEM
ASSETS			
CURRENT ASSETS:			
CASH AND CASH EQUIVALENTS	$ 284,640	$ 247,864	$ 24,120
RESTRICTED CASH AND CASH EQUIVALENTS	--	--	--
INVESTMENTS	454,697	36,736	620
RESTRICTED INVESTMENTS	--	--	--
RECEIVABLES (NET)	257,080	68,493	7,976
PLEDGES RECEIVABLE (NET)	18,758	5,237	461
AMOUNTS DUE FROM PRIMARY GOVERNMENT	298,744	3,004	7,040
DUE FROM FEDERAL GOVERNMENT	25,342	12,259	14,170
INVENTORIES	22,192	5,693	328
PREPAYMENTS	12,810	8,228	3,047
NOTES RECEIVABLE	2,839	4,130	372
OTHER CURRENT ASSETS	25,397	2,618	424
TOTAL CURRENT ASSETS	1,402,499	394,262	58,558
NONCURRENT ASSETS:			
RESTRICTED ASSETS:			
CASH	158,987	146,875	20,477
INVESTMENTS	925,885	373,471	11,172
RECEIVABLES (NET)	--	5,741	--
NOTES RECEIVABLE	23,582	28,103	--
OTHER	150,554	85	--
INVESTMENTS	106,670	668	--
PLEDGES RECEIVABLE (NET)	14,488	3,300	--
CAPITAL ASSETS (NOTE 5)			
LAND	76,845	103,955	7,754
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	1,270,079	1,192,227	229,575
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	220,465	75,253	10,730
INFRASTRUCTURE (NET OF DEPRECIATION)	26,378	20,285	8,316
INTANGIBLE ASSETS (NET OF AMORTIZATION)	6,839	--	4,280
CONSTRUCTION IN PROGRESS	619,253	112,854	29,986
OTHER NONCURRENT ASSETS	68,773	20,823	6,116
TOTAL NONCURRENT ASSETS	3,668,798	2,083,640	328,406
TOTAL ASSETS	$ 5,071,297	$ 2,477,902	$ 386,964
LIABILITIES			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE AND ACCRUALS	$ 314,743	$ 54,620	$ 13,205
AMOUNTS DUE TO PRIMARY GOVERNMENT	101,465	489	16
DUE TO FEDERAL GOVERNMENT	6,058	--	--
DEFERRED REVENUES	127,794	36,874	11,352
AMOUNTS HELD IN CUSTODY FOR OTHERS	35,211	6,637	744
OTHER CURRENT LIABILITIES	1,863	8,735	2,021
CURRENT PORTION OF LONG-TERM LIABILITIES:			
CONTRACTS PAYABLE	--	302	--
COMPENSATED ABSENCES PAYABLE	33,337	4,731	857
CAPITAL LEASE OBLIGATIONS	3,440	1,460	--
CLAIMS AND LITIGATION PAYABLE	--	--	411
NOTES PAYABLE	1,187	620	1,148
BONDS PAYABLE	18,777	14,395	1,291
POLLUTION REMEDIATION OBLIGATIONS	--	--	12
OTHER LONG-TERM LIABILITIES	36	4,956	3,133
TOTAL CURRENT LIABILITIES	643,911	133,819	34,190
NONCURRENT LIABILITIES:			
NONCURRENT PORTION OF LONG-TERM LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	84,938	40,142	11,288
CAPITAL LEASE OBLIGATIONS	31,190	9,222	--
CLAIMS AND LITIGATION PAYABLE	--	--	822
NOTES PAYABLE	5,905	9,224	39,666
BONDS PAYABLE	622,068	643,845	69,236
OPEB PAYABLE	756,992	434,743	92,319
POLLUTION REMEDIATION OBLIGATIONS	--	--	--
OTHER LONG-TERM LIABILITIES	370,230	507	71
TOTAL NONCURRENT LIABILITIES	1,871,323	1,137,683	213,402
TOTAL LIABILITIES	2,515,234	1,271,502	247,592
NET POSITION:			
NET INVESTMENT IN CAPITAL ASSETS	1,695,733	943,783	184,416
RESTRICTED FOR:			
CAPITAL PROJECTS	--	--	--
DEBT SERVICE	--	--	--
NONEXPENDABLE	486,876	253,730	15,089
EXPENDABLE	778,872	261,232	37,658
OTHER PURPOSES	--	--	--
UNRESTRICTED	(405,418)	(252,345)	(97,791)
TOTAL NET POSITION	2,556,063	1,206,400	139,372
TOTAL LIABILITIES AND NET POSITION	$ 5,071,297	$ 2,477,902	$ 386,964

The notes to the financial statements are an integral part of this statement.

BOARD OF REGENTS	LOUISIANA LOTTERY CORPORATION	LOUISIANA STADIUM AND EXPOSITION DISTRICT	NONMAJOR COMPONENT UNITS	TOTAL COMPONENT UNITS
$ 1,171	$ 18,227	$ 58,149	$ 448,963	$ 1,083,134
--	--	--	130,561	130,561
--	10,145	--	258,021	760,219
--	--	--	27,391	27,391
99	12,194	14,339	125,782	485,963
--	--	--	--	24,456
6,656	--	1,593	15,348	332,385
2,195	--	--	2,745	56,711
--	--	135	2,976	31,324
--	217	339	20,922	45,563
--	--	--	2,104	9,445
--	14	140	33,524	62,117
10,121	40,797	74,695	1,068,337	3,049,269
--	--	4,647	51,788	382,774
--	59,858	--	174,493	1,544,879
--	--	705	56,637	63,083
--	--	--	128,517	180,202
--	--	--	--	150,639
--	--	--	83,378	190,716
--	--	--	--	17,788
--	1,542	13,944	162,195	366,235
--	2,783	262,097	568,587	3,525,348
565	635	8,954	35,353	351,955
--	--	--	303,628	358,607
--	--	--	5,872	16,991
--	--	102,808	115,897	980,798
--	5,953	12,135	30,247	144,047
565	70,771	405,290	1,716,592	8,274,062
$ 10,686	$ 111,568	$ 479,985	$ 2,784,929	$ 11,323,331
$ 9,040	$ 3,301	$ 22,131	$ 83,952	$ 500,992
162	15,206	--	4,381	121,719
--	--	--	2,269	8,327
229	--	9,741	122,563	308,553
--	--	--	--	42,592
--	28,219	286	18,591	59,715
--	--	--	11,180	11,482
88	313	383	4,794	44,503
766	--	109	96	5,871
--	--	--	108,797	109,208
--	--	--	15,123	18,078
--	--	4,152	212,039	250,654
--	--	--	--	12
--	--	--	1,392	9,517
10,285	47,039	36,802	585,177	1,491,223
694	--	--	6,979	144,041
943	--	502	137	41,994
--	--	--	30,720	31,542
--	--	14,087	51,654	120,536
--	--	355,385	2,039,060	3,729,594
3,564	--	--	84,889	1,372,507
--	--	--	50	50
--	42,032	8,924	7,157	428,921
5,201	42,032	378,898	2,220,646	5,869,185
15,486	89,071	415,700	2,805,823	7,360,408
(1,144)	4,960	127,556	949,260	3,904,564
--	--	--	33,156	33,156
--	--	37,054	308,928	345,982
--	--	--	--	755,695
2,180	--	--	--	1,079,942
--	--	5,073	195,320	200,393
(5,836)	17,537	(105,398)	(1,507,558)	(2,356,809)
(4,800)	22,497	64,285	(20,894)	3,962,923
$ 10,686	$ 111,568	$ 479,985	$ 2,784,929	$ 11,323,331

COMBINING STATEMENT OF ACTIVITIES

COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

		PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	$ 3,375,443	$ 1,671,542	$ 434,167	$ 322,521	$ (947,213)
UNIVERSITY OF LOUISIANA SYSTEM	1,293,008	551,210	147,086	28,770	(565,942)
SOUTHERN UNIVERSITY SYSTEM	245,678	65,505	46,708	9,384	(124,081)
BOARD OF REGENTS	53,052	633	7,620	--	(44,799)
LOUISIANA LOTTERY CORPORATION	449,746	447,380	--	--	(2,366)
LOUISIANA STADIUM AND EXPOSITION DISTRICT	149,574	44,988	11,321	14,199	(79,066)
NONMAJOR COMPONENT UNITS	986,042	421,513	208,377	30,658	(325,494)
TOTAL COMPONENT UNITS	$ 6,552,543	$ 3,202,771	$ 855,279	$ 405,532	$ (2,088,961)

	GENERAL REVENUES			NET POSITION	
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES	CHANGE IN NET POSITION	BEGINNING OF YEAR AS RESTATED	NET POSITION END OF YEAR
COMPONENT UNITS:					
LOUISIANA STATE UNIVERSITY SYSTEM	$ 766,539	$ 245,185	$ 64,511	$ 2,491,552	$ 2,556,063
UNIVERSITY OF LOUISIANA SYSTEM	286,948	247,522	(31,472)	1,237,872	1,206,400
SOUTHERN UNIVERSITY SYSTEM	54,075	57,219	(12,787)	152,159	139,372
BOARD OF REGENTS	44,510	2,989	2,700	(7,500)	(4,800)
LOUISIANA LOTTERY CORPORATION	--	2,093	(273)	22,770	22,497
LOUISIANA STADIUM AND EXPOSITION DISTRICT	--	63,592	(15,474)	79,759	64,285
NONMAJOR COMPONENT UNITS	127,541	297,974	100,021	(120,915)	(20,894)
TOTAL COMPONENT UNITS	$ 1,279,613	$ 916,574	$ 107,226	$ 3,855,697	$ 3,962,923

The notes to the financial statements are an integral part of this statement.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 1 Summary of Significant Accounting Policies

Note 2 Deposits and Investments

Note 3 Accounts Receivable and Accounts Payable

Note 4 Interfund Accounts and Transfers

Note 5 Capital Assets

Note 6 Employee Benefits – Pensions

Note 6A Employee Benefits – Other Postemployment Benefits (OPEB)

Note 6B Employee Benefits – Termination Benefits

Note 7 Leases

Note 8 Long-Term Obligations

Note 9 Contingencies

Note 10 Fund Balance/Net Position Disclosures

Note 11 Other Disclosures

Note 12 Subsequent Events

NOTES TO THE BASIC FINANCIAL STATEMENTS
June 30, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the State of Louisiana (State) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The basic financial statements present the financial position and results of operations of the various funds of the State and the cash flows of the proprietary funds as of and for the year ended June 30, 2013.

A. REPORTING ENTITY

The State reporting entity consists of the various departments, agencies, activities, and organizational units that are within the control and authority of the Louisiana Legislature and/or constitutional officers of the State. The State, like that of the United States, has three branches of government – legislative (bicameral), executive, and judicial.

As required by GASB Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statement No. 14 and No. 34,* a legally separate entity is considered a component unit of the State if at least one of the following criteria is met:

- The State appoints a voting majority of the organization's governing body and is either able to impose its will on the organization or there is a potential financial benefit/burden to the State.
- The entity is fiscally dependent on the State and there is a potential financial benefit/burden to the State.
- The nature and significance of the relationship between the State and the entity is such that exclusion would cause the financial statements of the State to be misleading.

Depending upon the closeness of their relationship with the State, some component units are blended with the State reporting entity, while others are discretely reported.

The following component units were evaluated to identify those entities whose financial activities should be blended with the primary government, discretely reported, or disclosed in the Notes to the Basic Financial Statements as a related organization, a joint venture, or a jointly governed organization:

Blended Component Units

A component unit is considered blended and therefore would be included in the reporting entity's financial statements if (1) the component unit's governing body is substantively the same as the governing body of the primary government and there is a financial benefit or burden relationship between the primary government and the component unit or management of the primary government has operational responsibility for the component unit; or (2) if the component unit provides services exclusively, or almost exclusively, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it; or (3) if the component unit's debt outstanding is expected to be repaid entirely or almost entirely with resources of the primary government.

The following blended component units provide services almost exclusively to the primary government:

Tobacco Settlement Financing Corporation, P.O. Box 44154, Baton Rouge, LA 70804-4154, a special purpose, public corporate entity, was established to access a portion of the State's tobacco settlement revenues in a lump sum by issuing bonds secured by a pledge of 60% of the State's allocation of tobacco settlement revenues. Since the issuance of the bonds in fiscal year 2002, the corporation duties are limited to paying principal and interest on outstanding bonds and refunding outstanding bonds when economically advantageous.

Louisiana Correctional Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, acquires and finances correctional facilities for lease to the State and is authorized to issue revenue bonds for its purposes. The board of directors consists of five members appointed by the Governor.

Louisiana Office Building Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit quasi-public corporation, was created to construct, acquire and lease buildings and facilities on behalf of and for the benefit of the State and may finance such acquisitions by issuing revenue bonds. The board of directors consists of a designee of the Governor, the Commissioner of Administration, and the director of the Office of Facility Planning and Control.

Office Facilities Corporation, P.O. Box 94095, Baton Rouge, LA 70804-9095, a nonprofit corporation, finances the acquisition or construction of public facilities for lease to the State through the issuance of revenue bonds. The board of directors consists of five members appointed by the Governor.

Louisiana Transportation Authority, P.O. Box 94245, Baton Rouge, LA 70804, is a nonprofit corporation established in 2001 to promote, plan, finance, construct, operate, and maintain specific tollways or transitways constructed within Louisiana. The board of directors consists of nine members, including the Governor, the Department of Transportation and the Department of Economic Development secretaries, President of the Senate and Speaker of the House of Representatives, or their designees.

The following four component units are included in the fiduciary fund financial statements:

Louisiana School Employees' Retirement System, P.O. Box 44516, Baton Rouge, LA 70804-4516, was established in 1947 for the benefit of non-instructional personnel of the Louisiana public school system.

Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, LA 70804-4213, was established in 1947 to benefit all State employees except those excluded by statute.

Louisiana State Police Retirement System, 9224 Jefferson Hwy, Baton Rouge, LA 70809, was established in 1938 for the benefit of commissioned law enforcement officers as well as the secretary and deputy secretary of the Department of Public Safety.

Teachers' Retirement System of Louisiana, P.O. Box 94123, Baton Rouge, LA 70804-9123, was established in 1936 for the benefit of public school teachers.

The following component units are considered blended because their outstanding debt is expected to be repaid entirely or almost entirely with resources of the State.

Board of Supervisors of the Louisiana Community and Technical College System (LCTCS), 265 S. Foster Drive, Baton Rouge, LA 70806, is the managing and supervising board of seven community colleges, four technical community colleges, and two technical colleges. LCTCS has 49 campuses.

Louisiana Agricultural Finance Authority, P.O. Box 3481, Baton Rouge, LA 70821-3481, was created to alleviate the severe shortage of capital and credit available for investment in agriculture in the State and to promote agriculture and forestry in Louisiana.

Discretely Presented Component Units

Discretely presented component units are reported in separate columns to emphasize that they are legally separate from the State. The voting majority of the following discretely presented component units' board members are appointed by the State and State funds are appropriated for operating support to these entities, creating a financial benefit/burden relationship.

Board of Regents, 1201 North Third Street, Suite 6-200, Baton Rouge, LA 70802, is the policy-making board for the four higher education systems of the State.

Board of Supervisors of the Louisiana State University System, 3810 West Lakeshore Drive, Baton Rouge, LA 70808, is the managing and supervising board for the Louisiana State University System (LSU), which includes the following campuses:

- LSU and A&M College at Baton Rouge
- LSU Agricultural Center at Baton Rouge
- LSU at Alexandria
- LSU at Eunice
- LSU Health Sciences Center at New Orleans
- LSU Health Sciences Center at Shreveport
- LSU at Shreveport
- Paul M. Hebert Law Center at Baton Rouge
- Pennington Biomedical Research Center at Baton Rouge

The Board of Supervisors of the LSU System also operates the following general medical facilities in the State:

Huey P. Long Medical Center in Pineville
Lallie Kemp Regional Medical Center in Independence
Bogalusa Medical Center in Bogalusa
University Hospital Shreveport
E.A. Conway Medical Center in Monroe

Board of Supervisors of the University of Louisiana System, 1201 North Third Street, Suite 7-300, Baton Rouge, LA 70802, is the managing and supervising board for the following regional universities:

- Grambling State University at Grambling
- Louisiana Tech University at Ruston
- McNeese State University at Lake Charles
- Nicholls State University at Thibodaux
- Northwestern State University at Natchitoches
- Southeastern Louisiana University at Hammond
- University of Louisiana at Lafayette
- University of Louisiana at Monroe
- University of New Orleans

Board of Supervisors of the Southern University System, P.O. Box 10878, Baton Rouge, LA 70813, is the managing and supervising board of the Southern University System, which includes the following campuses:

- Southern University and A&M College at Baton Rouge
- Southern University at New Orleans
- Southern University at Shreveport
- Southern University Law Center at Baton Rouge
- Southern University Agricultural Research and Extension Center at Baton Rouge

Included in the balances and operating results of the university systems is financial activity for major foundations that contribute to the universities.

The voting majority of the following discretely presented component unit's board members are appointed by the State and the State is able to impose its will on the organizations by its ability to modify or approve the budget of the entity.

Greater New Orleans Expressway Commission, P.O. Box 7656, Metairie, LA 70010, was created to construct, operate, and maintain the Greater New Orleans

Expressway. The fiscal year end of the commission is October 31.

The voting majority of the following discretely presented component units' board members are appointed by the State and the State is able to impose its will on the organizations by its ability to remove board members at will.

Louisiana Board of Cosmetology, 11622 Sunbelt Court, Baton Rouge, LA 70809, regulates and licenses members of the Cosmetology industry to maintain public health and welfare standards set by the State of Louisiana.

Louisiana Motor Vehicle Commission, 3519 12th Street, Metairie, LA 70002-3427, regulates all areas of the new car industry, including motor vehicle sales finance companies in Louisiana.

Louisiana State Board of Private Security Examiners, 15703 Old Hammond Hwy., Baton Rouge, LA 70816, regulates the contract security guard industry.

Ouachita Expressway Authority, P.O. Box 2653, West Monroe, LA 71294, provides a well-maintained limited access highway system and promotes economic growth.

Louisiana Stadium and Exposition District, 1500 Girod Street, New Orleans, LA 70113, is responsible for financing and operating an enclosed covered stadium, as well as other related facilities and structures for holding sporting events, athletic contests, exhibitions, and other events of public interest.

Road Home Corporation, doing business as Louisiana Land Trust, P.O. Box 4609, Baton Rouge, LA 70821, was created for the acquisition, disposition, purchase, renovation, leasing, or expansion of housing stock to help Louisiana residents displaced by the hurricanes get back into a home or apartment as quickly and fairly as possible.

Sabine River Authority of Louisiana, 15091 Texas Highway, Many, LA 71449-5718, is charged with the development of Toledo Bend resources within the State

Levee Districts provide services necessary to ensure adequate drainage control and to protect lands within their respective districts from damage by flood. They include the following:

- Atchafalaya Basin Levee District, P.O. Box 170, Port Allen, LA 70767
- Bossier Levee District, P.O. Box 8279, Bossier City, LA 71113
- Bunches Bend Protection District, 149 Marlette Drive, Lake Providence, LA 71254
- Caddo Levee District, P.O. Box 78282, Shreveport, LA 71137-8282
- Fifth Louisiana Levee District, 102 Burnside Drive, Tallulah, LA 71282
- Lafitte Area Independent Levee District, 2654 Jean Lafitte Blvd., Lafitte, LA 70067
- Lafourche Basin Levee District, P.O. Box 670, Vacherie, LA 70090; the district has a December 31 fiscal year end.
- Natchitoches Levee and Drainage District, P.O. Box 1036, Natchitoches, LA 71458
- Nineteenth Louisiana Levee District, P.O. Box 267, Colfax, LA 71417
- North Lafourche Conservation, Levee and Drainage District, P.O. Box 309, Thibodaux, LA 70302. The district has a December 31 fiscal year end.
- Pontchartrain Levee District, P.O. Box 426, Lutcher, LA 70071
- Red River, Atchafalaya, and Bayou Boeuf Levee District, P.O. Box 8235, Alexandria, LA 71306
- Red River Levee and Drainage District, P.O. Box 433, Coushatta, LA 71019
- South Lafourche Levee District, P.O. Box 426, Galliano, LA 70354
- Tensas Basin Levee District, P.O. Box 68, Rayville, LA 71269

The voting majority of the following discretely presented component units' board members are appointed by the State and the State is able to impose its will on the following organizations by its ability to modify or approve rate or fee changes affecting the component units revenue.

Louisiana Utilities Restoration Corporation, P.O. Box 91154, Baton Rouge, LA 70802-9154, serves to finance utility system restoration costs.

State Plumbing Board of Louisiana, 12497 Airline Highway, Baton Rouge, LA 70817, regulates the plumbing industry within the State.

The voting majority of the following discretely presented component units' board members are appointed by the State and the State is able to impose its will on the following organizations by veto, overruling or modifying decisions of the following organization's governing board.

- Bayou D'Arbonne Lake Watershed District, P.O. Box 696, Farmerville, LA 71241. The district has a December 31 fiscal year end.

The voting majority of the following discretely presented component unit's board members are appointed by the State and the State is able to impose its will on the following organizations by its ability to appoint, hire, or dismiss employees or management of the component unit:

Louisiana Egg Commission, P.O. Box 1951, Baton Rouge, LA 70821, strives to educate consumers of all ages on the nutritional value of egg and egg products. The Commission also approves and issues licenses to entities engaged in egg production and wholesale.

Louisiana Lottery Corporation, 555 Laurel Street, Baton Rouge, LA 70801-1813, a nonprofit corporation, conducts

and administers the State lottery to ensure the integrity of the lottery and maintain the dignity of the State and the general welfare of its people. The board of directors consists of nine members appointed by the Governor.

Although the State does not appoint a voting majority of the board for the entity listed below, the entity is fiscally dependent on the State since the State approves its budget. Also, a financial benefit/burden exists between the State and the component unit since the State is legally entitled to or can otherwise access the entity's resources.

Louisiana Economic Development Corporation, P.O. Box 94185, Baton Rouge, LA 70804-9185, was established to serve as the single review board and administrator of the Department of Economic Development's financial assistance programs, such as loan guarantees and venture capital for small- and medium-sized businesses.

The voting majority of the following discretely presented component unit's board members are appointed by the State and the State is obligated in some manner for the debt of the component unit.

Greater Baton Rouge Port Commission, P.O. Box 380, Port Allen, LA 70767-0380, regulates commerce and traffic within the port area. The fiscal year end of the port commission is December 31.

The voting majority of the following discretely presented component unit's board members are appointed by the State and the State has assumed the obligation to provide financial support to the component unit.

Ernest N. Morial - New Orleans Exhibition Hall Authority, 900 Convention Center Blvd., New Orleans, LA 70130 is responsible for the operations of the Ernest N. Morial Convention Center, the sixth largest convention center in the nation.

The voting majority of the following discretely presented component units' board members are appointed by the State and the State is legally entitled to or can otherwise access the component units' resources.

The Louisiana Housing Corporation (LHC) is a discretely presented component unit whose board members are appointed by the State and the State has a financial benefit/burden relationship with the corporation. LHC, 2415 Quail Drive, Baton Rouge, LA 70808, is responsible for managing the State's housing programs, most of which focus on providing affordable housing for persons with low and moderate incomes.

Louisiana Public Facilities Authority, 2237 S. Acadian Thruway, Suite 650, Baton Rouge, LA 70808, is a public trust authorized to issue obligations and provide funds to finance projects and programs in the best interest of the citizens of Louisiana. The authority has a December 31 fiscal year end.

Louisiana State Board of Private Investigator Examiners, 2051 Silverside Dr., Suite 190, Baton Rouge, LA 70808, regulates and licenses persons and businesses providing private investigative services.

Due to the nature and significance of the relationship between the following entities and the State, the financial statements would be misleading if they were excluded.

Acadiana Area Human Services District, 2313 Blue Haven Drive, New Iberia, LA 70563, was established to direct the operation and management of community-based programs and services relative to mental health, developmental disabilities, and addictive disorder services for the parishes of Acadia, Evangeline, Iberia, Lafayette, St. Landry, St. Martin, and Vermillion parishes.

Capital Area Human Services District, 4615 Government Street, Building 2, Baton Rouge, LA 70806, was established to direct the operation of community-based programs and services relative to public health, mental health, developmental disabilities, and addictive disorder services for the parishes of Ascension, East Baton Rouge, East Feliciana, Iberville, Pointe Coupee, West Baton Rouge, and West Feliciana.

Florida Parishes Human Services Authority, 11236 Hwy. 16 West, Amite, LA 70422, was established to direct the operation and management of mental health, developmental disabilities, and addictive disorders services for the residents of Livingston, St. Helena, St. Tammany, Tangipahoa, and Washington parishes.

Foundation for Excellence in Louisiana Public Broadcasting, 7733 Perkins Road, Baton Rouge, LA 70810 was established to support the Louisiana Educational Television Authority, the state agency charged with promoting public and educational television in Louisiana. The Foundation provides an endowment to support public television in Louisiana and may serve as a "repository" for funds to be utilized for the promotion, development, enhancement and assistance of public television in Louisiana.

Jefferson Parish Human Services Authority, 3616 S. I-10 Service Road, Metairie, LA 70001, was established to provide administration, management, and operation of mental health, developmental disabilities, and addictive disorders services for the residents of Jefferson Parish.

Louisiana Beef Industry Council, 4921 I-10 Frontage Road, Port Allen, Louisiana 70767, was established to coordinate the fulfillment of the economic, political and social needs of the Louisiana cattle producers.

Louisiana Cancer Research Center, 1700 Tulane Avenue, Suite 1000, New Orleans, LA 70112, conducts research and promotes education in the diagnosis, detection, and treatment of cancer.

Louisiana Citizens Property Insurance Corporation, 433 Metairie Road, Suite 600, Metairie, LA 70005, is a nonprofit organization created to provide insurance plans to residential and commercial property applicants who are unable to procure insurance through the voluntary market. Louisiana Citizens Property Insurance has a December 31 fiscal year end.

Metropolitan Human Services District, 1010 Common Street, Suite 600, New Orleans, LA 70112, was established to direct the operation and management of mental health, developmental disabilities, and addictive disorders services for the residents of Orleans, St. Bernard, and Plaquemines parishes.

South Central Louisiana Human Services Authority, 7942 Park Avenue, Houma, LA 70364, was established to direct the operation and management of community-based programs and services relative to mental health, developmental disabilities, and substance abuse services for the residents of Assumption, Lafourche, St. Charles, St. James, St. John the Baptist, St. Mary, and Terrebonne parishes.

Southeast Louisiana Flood Protection Authority-East, 2045 Lakeshore Drive, Suite 422, New Orleans, LA 70122, and Southeast Louisiana Flood Protection Authority-West, 7001 River Road, Marrero, LA 70072, were created to provide regional coordination of flood protection. These two authorities are reported together as the Southeast Louisiana Flood Protection Authority-East and West (SLFPA-East and West). Entities under SLFPA-East and West for fiscal year 2013 include the Board of Commissioners-SLFPA-East, Board of Commissioners-SLFPA-West, Algiers Levee District, East Jefferson Levee District, Lake Borgne Basin Levee District, Orleans Levee District, and West Jefferson Levee District.

Relay Administration Board, P.O. Box 91154, Baton Rouge, LA 70821-9154, is charged with oversight of telephone relay services for the State, insuring equal access to telecommunications services for all hearing and speech impaired citizens. The board has a December 31 fiscal year end.

External Investment Pools

Louisiana Asset Management Pool (LAMP), 228 St. Charles Avenue, Suite 1123, New Orleans, LA 70130-9957, is a cooperative endeavor created to establish an external local government investment pool administered by the State Treasurer. LAMP has a December 31 fiscal year end.

The Patients' Compensation Investment Trust Fund is comprised of assets of the Patients' Compensation Oversight Board, P.O. Box 3718, Baton Rouge, LA 70821. The Board has entered into a cooperative endeavor with the State Treasurer to hold and manage investments for the Board in the investment trust fund.

The Education Excellence Local Government Investment Trust Fund is comprised of cash and investments of certain local school boards from their share of proceeds and investment earnings from the Tobacco Settlement Agreement. LRS 39:99 allows local school boards the opportunity to enter into a contract to have its tobacco money invested and managed on its behalf by the State Treasurer's Office.

Related Organizations

Related organizations are those entities for which a primary government's accountability does not extend beyond appointing a voting majority of the board. The State is not financially accountable for the following related organizations, and they are not reported in the accompanying basic financial statements.

- Algiers Park Commission
- Allen Parish Reservoir District
- Ambulance Service District Commission
- Amite River Basin Drainage Water and Conservation District
- Ascension-St. James Airport and Transportation Authority
- Associated Branch Pilots of the Port of Lake Charles
- Associated Branch Pilots of the Port of New Orleans
- Bayou Desiard Restoration Commission
- Bayou Lafourche Fresh Water District
- Castor Creek Reservoir District
- Crescent River Port Pilots' Association
- Foundation for Louisiana
- Fourteenth and Sixteenth Wards Neighborhood Development District
- Gentilly Taxing District
- Glen Oaks Crime Prevention and Improvement District
- Grand Isle Independent Levee District
- Greater Ouachita Port Commission
- Iberia Parish Levee, Hurricane, & Conservation District
- John K. Kelly Grand Bayou Reservoir District
- Kenner Naval Museum Commission
- Lake Vista Crime Prevention District
- Louisiana Naval War Memorial Commission
- Louisiana International Deep Water Gulf Transfer Terminal Authority
- Louisiana Used Motor Vehicle Commission
- New Orleans and Baton Rouge Steamship Pilots' Association
- New Orleans Regional Business Park
- North Lafayette Redevelopment Authority
- Parish Hospital Service Districts
- Patient's Compensation Fund Oversight Board
- Poverty Point Reservoir District
- River Region Cancer Screening and Early Detection District
- St. Mary Levee District
- Seventh Ward Neighborhood Development District
- South Tangipahoa Parish Port Commission
- Southwest Acadiana Parishes Public Housing Rehabilitation District
- Tangipahoa Parish Juvenile Justice District

- Terrebonne Levee and Conservation District
- Twelfth and Thirteenth Wards Neighborhood Development District
- West Ouachita Parish Reservoir Commission

Joint Ventures

A joint venture is a legal entity or other organization that results from a contractual arrangement and is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (1) an ongoing financial interest or (2) an ongoing financial responsibility. The purposes of a joint venture are to pool resources and share the costs, risks, and rewards of providing goods or services to venture participants directly, or for the benefit of the general public or specific service recipients.

The Sabine River Authority of Louisiana, 15091 Texas Highway, Many, LA 71449-5718, participates equally with the Sabine River Authority of Texas in the Sabine River Compact Administration (Compact) and through the Sabine River Authority, with the Sabine River Authority of Texas, 450 Spur 135, Burkeville, TX 75932, in the Toledo Bend Joint Operation (Joint Operation). Separate financial statements are prepared for the operations of both the Compact and the Joint Operation and may be obtained by contacting the entities at the addresses above. The Compact was created under authority granted by an act of the Congress of the United States to provide equitable apportionment of the waters of the Sabine River and its tributaries. A five-member board composed of two members appointed by the governors of each state and one non-voting, ex-officio member appointed by the President of the United States administer the Compact. The Joint Operation was established by joint resolution of the Sabine River Authorities of Texas and Louisiana for the construction and operation of the Toledo Bend Dam and Reservoir project administered by a board composed of three members appointed by the Texas Authority and three members appointed by the Louisiana Authority. Costs of the Compact not paid by the federal government are to be paid equally by the two States, which share equally in the costs of the Joint Operation. Each State owns an undivided one-half share of all lands acquired for the project, and each State owns and is entitled to 50% of the water produced and 50% of the power generated by the Joint Operation and may sell, use, or otherwise dispose of its share without consent and permission of the other Authority.

The Sabine River Authority of Louisiana's share of the joint ventures is reported as a discrete component unit in the accompanying basic financial statements. For fiscal year 2013, the Sabine River Authority of Louisiana reported a decrease in net position of $762,764 from fiscal year 2012.

The Pest Control Compact Insurance Fund Governing Board, P.O. Box 3481, Baton Rouge, LA 70821-3481, participates equally in the multistate Pest Control Compact and through the Interstate Pest Control Compact, 845 Sutherland Drive, Saint Albans, WV 25177. The Insurance Fund must annually submit to the governor of each party state a report covering its activities for the preceding year. Louisiana's participation in the Compact was confirmed by the Louisiana Legislature to alleviate financial losses from the depredations of pests and to protect fully against those pests that present serious dangers. The governing board of the Insurance Fund is made up of one representative from each party state that shall be entitled to one vote on such board; if provisions are made, the United States may be represented on the board not to exceed three representatives with non-voting powers. The budget of each party state shall contain a specific recommendation of the amount or amounts to be appropriated by each party state, which is one-tenth of the total budget in equal shares and the remainder in proportion to the value of agriculture and forest crops and products. The party states may request expenditures from the Insurance Fund.

Jointly Governed Organizations

A jointly governed organization is one governed by representatives from each of the governments creating it and one in which the participants do not retain an ongoing financial interest or financial burden; therefore, they are not reported in the accompanying basic financial statements. These organizations include the Gulf States Marine Fisheries Commission, Southern Rail Commission, Interstate Commission for Adult Offender Supervision, Interstate Insurance Product Regulation Compact and Commission, Interstate Commission for Juveniles, and Interstate Commission on Educational Opportunity for Military Children.

B. BASIS OF PRESENTATION

The financial report consists of Management's Discussion and Analysis (MD&A), basic financial statements, notes to the basic financial statements, and required supplementary information other than the MD&A. The MD&A provides an analytical overview of the financial activities of the State. The basic financial statements include the government-wide financial statements, fund financial statements, and notes to the basic financial statements.

The government-wide statements consist of a statement of net position and a statement of activities. These statements are prepared using the economic resources measurement focus and accrual basis of accounting. Major revenues such as sales tax, general severance tax, gasoline tax, and tobacco tax are assessed, collected, and susceptible to accrual. Assets, deferred outflows, liabilities, deferred inflows, revenues, and expenses of the government are reported in the financial statements. The statements distinguish between the governmental and business-type activities of the primary government and between the total primary government and its component units by reporting each in separate columns. Fiduciary activities and component units that are fiduciary in nature, whose resources are not available to finance the

government's programs, are excluded from the government-wide statements.

All capital (long-lived) assets, receivables, and long-term obligations are reported in the statement of net position. The statement of activities reports revenues and expenses in a format that allows the reader to focus on the net cost of each function of the State. Both the gross and net cost per function, which is otherwise being supported by general government revenues, is compared to the revenues generated directly by the function. In the Statement of Activities, gross expenses, including depreciation, are reduced by related program revenues, which are comprised of charges for services, operating grants, and capital grants. Direct and indirect expenses are reported as program expenses for individual functions and activities. The program revenues must be directly associated with the function or a business-type activity. The types of transactions included in program revenues are sales of commodities, licenses, permits, and fees. The operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants.

The fund financial statements report the State as a collection of major and nonmajor funds presented on separate schedules by fund category – governmental, proprietary, and fiduciary funds.

- The governmental fund statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances, with one column for the General Fund, one for each of the other major funds, and one column combining all the nonmajor governmental funds. The statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period, generally considered 45 days after the end of the fiscal year, except for federal grants, which generally are considered available for 12 months after the end of the fiscal year. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest payments on general long-term liabilities, which are recognized when due.
- The proprietary fund statements include a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows. Each statement has a column for the major enterprise fund, one that combines all the nonmajor enterprise funds, and one column that reports all internal service funds. The proprietary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting in order to make a determination of net income, financial position, and cash flows. Internal service funds are included in governmental activities for government-wide reporting purposes, and the excess revenues or expenses from the funds are allocated to the appropriate functional activity.
- The fiduciary fund statements include a statement of net position and a statement of changes in net position, with one column for each of the four types of fiduciary funds. The statements are prepared using the economic resources measurement focus and the accrual basis of accounting, except for agency fund statements which use the accrual basis but do not have a measurement focus, as they report only assets and liabilities.

Although the financial statements presented in each of these three schedules contain "total" columns, they merely combine rather than consolidate the funds. Hence, interfund transactions that generate receivables and payables or transfers from one fund to another are not eliminated.

Major Funds

Major funds are those whose revenues, expenditures/ expenses, assets, or liabilities are at least 10 percent of the total for their fund category or type (governmental or enterprise) and at least five percent of the corresponding element total for all governmental and enterprise funds combined.

The data on the face of the three sets of financial statements must be accompanied by certain disclosures to ensure accurate information is presented in the financial report. This additional information is presented in the form of a single set of notes to the basic financial statements.

Governmental Funds

The major governmental funds of the State are the General Fund, the Bond Security and Redemption Fund, Capital Outlay Escrow Fund, and the Louisiana Education Quality Trust Fund.

General Fund - The General Fund is the principal operating fund of the State, and was established administratively to provide for the distribution of funds appropriated by the state legislature for the ordinary expenses of state government. Transactions related to resources that are not accounted for in other funds are recorded in the General Fund. Revenues include the direct deposit of federal grants and the transfer of state revenues from the Bond Security and Redemption Fund after debt requirements and obligations to other funds are met.

Bond Security and Redemption Fund - This fund is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations, or other forms of assistance when the terms and conditions of the related agreements require otherwise. Each fiscal year, an amount is allocated from this fund sufficient to pay all obligations secured by the full faith and credit of the State that are due and payable within the current fiscal year,

including debt principal, interest, premiums, and sinking or reserve funds. Except as otherwise provided by law, money remaining in the fund is credited to the General Fund at year-end.

Louisiana Education Quality Trust Fund - Once requirements of the Bond Security and Redemption Fund have been met, certain funds received from the federal government attributable to mineral production or leases on the outer continental shelf are deposited by the State Treasurer into this fund. The money is held in a trustee capacity to be used for various educational purposes.

Capital Outlay Escrow Fund - This fund provides for the capital outlay expenditures of state government, state institutions, and other public entities as appropriated by the legislature. Sources of funding include federal revenues, transfers from the General Fund and Transportation Trust Fund, interest earnings, and contributions from other sources.

Proprietary Funds

Proprietary Funds are reported In accordance with GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and continue to apply as other accounting literature, post-November 30, 1989 FASB pronouncements that do not conflict with or contradict GASB pronouncements. These funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services as their principal operation. Revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The State has two types of proprietary funds:

- *Internal service funds* account for the provision of services, primarily given by one department to another, on a cost reimbursement basis. The activities accounted for in internal service funds include copy and mail services, aircraft services, telecommunications, and financing and acquiring public facilities for lease to the State.
- *Enterprise funds* account for the activities for which fees are charged to external users for goods or services.

The State's major enterprise funds are the Unemployment Trust Fund and the Louisiana Community and Technical College System.

Unemployment Trust Fund - This fund accounts primarily for the unemployment tax payments from employers to be used for the payment of unemployment benefits to eligible claimants.

Board of Supervisors of the Louisiana Community and Technical College System - This entity provides strategic management and support for Louisiana's 13 comprehensive community and technical colleges.

Major Discrete Component Units

The following criteria are used when determining a major discrete component unit:
a) the services provided by the component unit to the citizenry are such that reporting as a major component unit is considered to be essential to the financial statement users;
b) there are significant transactions with the primary government; and
c) there is a significant financial benefit or burden relationship with the primary government.

The State's major discrete component units are as follows:

- Louisiana State University System
- Southern University System
- University of Louisiana System
- Board of Regents
- Louisiana Lottery Corporation
- Louisiana Stadium and Exposition District

Fiduciary Funds

By definition, these funds account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds, and cannot be used to address activities or obligations of the government. These funds are presented in the fund financial statements, but are not incorporated into the government-wide statements. Fiduciary Funds are not subject to the major/nonmajor fund classification. There are four types of fiduciary funds:

- *Pension trust funds* account for resources held in trust for members and beneficiaries of the four employee pension plans.
- *Investment trust funds* account for the portion of the government's investment pools that belong to others.
- *Private-purpose trust funds* report all other trust arrangements benefiting those outside the government.
- *Agency funds* contain resources held by the government in a temporary, purely custodial capacity for others (excluding agencies of the State) and do not involve measurement of results of operations. This method of reporting is consistent with GASB Statement No. 34, *Basic Financial Statements–and Management's Discussion and Analysis–for State and Local Governments*, paragraph 111.

C. ASSETS, LIABILITIES, DEFERRED INFLOWS, DEFERRED OUTFLOWS, AND NET POSITION, EQUITY, OR NET FUND BALANCES

Cash and Investments

The State Treasurer pools those cash resources for which he is responsible and invests them accordingly. For purposes of the financial statements, including the Statement of Cash Flows, the State considers all highly

liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Cash and investment earnings are recorded in the General Fund unless statutorily dedicated to specific funds. Cash and investment limitations are discussed in Note 2 (Deposits and Investments).

The investments of the pension trust funds are reported at fair value. Short-term investments are reported a cost which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market value are reported at estimated fair value.

Receivables and Payables

Activity between funds that is outstanding at the end of the fiscal year is referred to as either "due to or due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Amounts reported in the funds as receivable from or payable to fiduciary funds are included in the statement of net position as receivable from and payable to external parties rather than as "internal balances." All internal balances are eliminated in the total primary government column. Receivables of the primary government and its component units or between those components include all amounts susceptible to accrual that have not been collected at June 30. They include all amounts earned, but not collected, at June 30th. Receivables (net of any uncollectible amounts) and payables are reported on separate lines.

Each of the defined benefit pension plans accounted for as a pension trust fund uses the accrual basis of accounting under which revenues are recognized when earned and expenses are recognized when incurred. Within this context, employer and employee contributions are recognized when due, pursuant to formal commitments, as well as statutory and contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

Inventories and Prepaid Items

Inventories consisting predominately of materials and supplies held for consumption, merchandise and livestock held for resale, and expendable medical supplies are valued primarily using the average cost method. The consumption method is used for financial reporting. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Derivatives

In accordance with their investment authority, the primary government and component units invest in derivative financial instruments. These derivatives may be held to maximize yields on investments to hedge against changes in interest rates. Risks associated with derivative instruments include the potential for credit loss in the event of nonperformance by other parties to the contracts, market risk as a result of possible future changes in market prices, and legal risk, the risk that a transaction will be prohibited by law, regulation, or contract.

Restricted Assets

Restricted assets represent primarily cash, investments, and receivables held separately and restricted according to applicable bond indenture agreements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure is reported retroactively to 1960. Capital assets are recorded as expenditures generally in the Capital Outlay Escrow Fund at the fund level and capitalized at the government-wide level; capital assets of enterprise and internal service funds are reported in the respective funds. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. For reporting purposes, the State has defined capital assets as follows:

- Land is an inexhaustible asset with no capitalization threshold and an unlimited useful life; therefore, it is not depreciated.
- Movable property consists of assets that are not fixed or stationary in nature with an initial, individual cost of at least $5,000. The straight-line method of depreciation is used, which divides the historical cost by the estimated useful life of the asset, generally 5 to 10 years.
- Buildings are permanent structures erected above ground, while improvements are major repairs, renovations, or additions that increase the future service potential of the asset. Leasehold improvements are improvements made by the lessee to leased property. The capitalization threshold for buildings and improvements is $100,000. They are depreciated principally using the straight-line method with an estimated useful life typically of 40 years for structures and improvements and 20 years for depreciable land improvements. Leasehold improvements are depreciated using the straight-line method with an estimated useful life depending on the

term of the lease. Construction-in-progress is not depreciated.
- Infrastructure assets are roads, bridges, tunnels, drainage systems, water and sewer systems, dams, and lighting systems. Infrastructure has a capitalization threshold of $3,000,000, and is depreciated using the straight-line method with an estimated useful life of 40 years.
- Purchased computer software has a capitalization threshold of $1,000,000 and is depreciated using the straight-line method over an estimated useful life of 3 years.
- Internally generated software has a capitalization threshold of $1,000,000, and is depreciated using the straight-line method over an estimated useful life determined by its value. Internally generated software valued at $10,000,000 or less is depreciated over 7 years and internally generated software valued over $10,000,000 is depreciated over 10 years.
- Historical treasures and works of art are items held for public exhibition, educational purposes, or research in enhancement of public service instead of financial gain, and therefore are not capitalized or depreciated.
- Donated fixed assets are valued at their estimated fair market value at the time of donation.

Hospitals and medical units within Louisiana State University Health Sciences Center are subject to federal cost reporting requirements and use capitalization and depreciation policies of the Centers for Medicare and Medicaid Services (CMS) to ensure compliance with federal regulations. These capitalization policies include a threshold of $5,000 for all assets, depreciable lives greater than 40 years on some assets, and recognition of a half year of depreciation in the year of acquisition and final year of useful life.

Compensated Absences

Classified and unclassified state employees earn annual leave and sick leave at various rates depending on the number of years of service. The amount of annual and sick leave that may be accrued by each employee is unlimited. An employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. For employees under the supervision of the Board of Elementary and Secondary Education or other boards of control of publicly supported educational institutions, LA Revised Statutes (LRS) 17:425 provides for payment of up to 25 days of unused sick leave at the time of retirement, or death if prior to retirement.

Upon a member's retirement, annual leave balances in excess of 300 hours and the number of hours of unused sick leave are converted into years or fractions of years and added to the number of years of service earned by the retiree. Unused annual and sick leave is applied to the number of years of service only for computing the rate of pay due to the retiree and does not count toward the number of years necessary for retirement. Act 343 of 1993 allows members retiring after August 15, 1993, to elect to receive an actuarially determined lump-sum payment for unused leave that would have been converted for retirement credit.

An employee who is required to work overtime may, at the option of the appointing authority, be credited with compensatory leave for the hours required to work. Certain employees earn this leave at time and one-half, whereas others earn on an hour-for-hour basis. Generally, employees in positions at or below a certain pay level may be paid upon separation or transfer, based on the employee's final regular rate of pay. Compensatory leave for all other employees is canceled upon separation or transfers from the department in which it was earned.

Long-Term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental or business-type activities. In the fund financial statements, proprietary fund long-term obligations are reported as liabilities in the proprietary fund type statement of net position. The General Fund has typically been used to liquidate other long-term liabilities such as compensated absences, claims and litigation payable, etc. (see "Other liabilities," Note 8, Section D, under "Governmental Activities"). Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds. In accordance with paragraph 16 of the Accounting Principles Board Opinion No. 21, unamortized balances of premiums and discounts are netted against the outstanding balance of the related bonds payable. Unamortized premium and discount balances are displayed in Note 8, Section D.

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense or expenditure) until then. The State only has one item that qualifies for reporting in this category. It is the *accumulated change in the fair value of hedging derivatives*.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The account is *the accumulated increase in fair value of hedging derivatives*.

Fund Balance Classifications and Net Position

Fund balances are reported under the following fund balance classifications:
- Nonspendable – includes amounts that cannot be spent because they are not in spendable form (e.g., inventories) or are legally or contractually required to be maintained intact (e.g., corpus of a permanent fund).

- Restricted – includes amounts that have constraints placed on the use of the resources either by an external party or by imposition of law through constitutional provisions or enabling legislation.
- Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the State Legislature, the State's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the state legislature removes or changes the specified use by taking the same type of action employed to commit those amounts. This formal action is the passage of law by the Legislature, or creating, modifying or rescinding an appropriation.
- Assigned – includes amounts that are constrained by the state's intent to be used for specific purposes, but are neither restricted nor committed. Through acts of the State Legislature, the Joint Legislative Committee on the Budget and the Office of Planning and Budget, under the authority of the Commissioner of Administration, have been delegated the authority to assign amounts to be used for specific purposes.
- Unassigned – includes amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund.

The State has a general policy to first use restricted resources for expenditures incurred for which both restricted and unrestricted (committed, assigned, and unassigned) resources are available. When expenditures are incurred for which only unrestricted resources are available, the general policy of the State is to use committed resources first, followed by assigned, and then unassigned. The use of restricted/committed resources may be deferred based on a review of the specific transaction.

Net position represents the difference between all other elements in a statement of financial position (i.e., assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position). Net position is segregated into three categories on the government-wide statement of net position: net investment in capital assets; restricted; and unrestricted. Net investment in capital assets consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other debt attributable to the acquisition, construction, or improvement of such assets. Restricted net position represents the portion of net position that consists of restricted assets reduced by liabilities and deferred inflows related to those assets. The State first uses restricted assets for expenses incurred when both restricted and unrestricted net position is available for use. The use of restricted assets may be deferred based on a review of the specific transaction.

D. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental fund balance sheet includes a reconciliation of the government-wide statements to the governmental fund financial statements. This reconciliation is necessary to bring the financial statements from the current financial resources measurement focus and modified accrual basis of accounting to the economic resources measurement focus and full accrual basis of accounting. Major items included in the reconciliation are capital assets, long-term debt, accrued interest, long-term liabilities, assets and liabilities of internal service funds, and deferred revenue, which are shown on the government-wide but not the governmental fund statements.

E. BUDGETS AND BUDGETARY ACCOUNTING

Legislation requires that on or before November 15, the head of each spending agency submit to the Governor, the Joint Legislative Committee on the Budget, and the Legislative Fiscal Office an estimate of the financial requirements and receipts of the budget unit for the upcoming fiscal year (LRS 39:33). The Governor is required to prepare an executive budget and transmit a copy to each member of the Legislature on the first day of the regular session (LRS 39:37). The budget is enacted into law by the Legislature and sent to the Governor for signature. The State Constitution prohibits the passage of an unbalanced budget (Article VII, Section 10). The Governor may veto any line item appropriation, subject to legislative override.

LRS 39:73 authorizes the transfer of funds between programs within a budget unit. The Commissioner of Administration may approve such a transfer when in aggregate the transfers are not more than 1% of the total appropriation to the budget unit and sufficient evidence is presented. The Commissioner, with the approval of the Joint Legislative Committee on the Budget, may approve the transfer of funds between programs within the budget unit when in aggregate the transfers do not exceed 25% of the total appropriation to the budget unit and sufficient evidence is presented. These and other requests for transfers are to be submitted by the budget unit to the Legislative Fiscal Office.

According to LRS 39:111, the Governor is required to submit to the Legislature, no later than the eighth day of the regular session, a proposed five-year capital outlay program. The Legislature enacts into law a bill incorporating the first year of the five-year capital outlay program. The Legislature adopts a concurrent resolution for the remaining four years of the five-year capital outlay program, itemizing the capital projects and the amount and source of funding for each of the subsequent four years.

According to LRS 39:77, in no event shall any budget unit commit to an expenditure in excess of the unencumbered balance of the allotment to which the resulting expenditure

would be charged, without prior approval of the Interim Emergency Board and two-thirds of the Legislature. The Revenue Estimating Conference has been established to provide an official estimate of anticipated state revenues for each fiscal year. Appropriations by the Legislature from the state General Fund and dedicated funds for any fiscal year shall not exceed the official forecast in effect at the time the appropriations are made. The Governor may direct the Commissioner of Administration to reduce or disapprove warrants in order to prevent a cash deficit.
In accordance with LRS 39:82(A), agencies are allowed 45 days for closing out prior year activities. This statute limits the use of appropriation balances after the June 30 close to true liabilities, delineates those items eligible for roll forward treatment, and establishes a 45-day period to request such carry-forwards. After that time, all appropriations lapse except permanent capital outlay appropriations that remain active until the projects are complete. Additionally, upon approval by the Commissioner of Administration, any federal funds and any state funds appropriated during a fiscal year specifically for matching federal grants may be carried forward into the upcoming year's appropriation.

Governments are required to present the original, final, and actual budgetary basis of the General Fund and each individual major special revenue fund that has a legally adopted annual budget. The accompanying Required Supplementary Information includes notes and a schedule making this comparison for the General Fund. For fiscal year 2013, there are no major special revenue funds.

The following governmental funds have legally adopted annual budgets:

- General Fund
- Bond Security and Redemption Fund
- Employment Security Administration Account
- Federal Energy Settlement Fund
- Incumbent Worker Training Account
- Labor Penalty and Interest Account
- Louisiana Tourism Promotion District
- Marsh Island Operating Fund
- Retirement System Insurance Proceeds Fund
- State Highway Fund #2
- Transportation Trust Fund

Each year, the Legislature enacts an appropriation bill to establish and re-establish ancillary funds to include the following enterprise and internal service funds: Administrative Services, Safe Drinking Water Revolving Loan Fund, Donald J. Thibodeaux Training Complex, Louisiana Federal Property Assistance Agency, Louisiana Property Assistance Agency, Clean Water State Revolving Fund, Office of Aircraft Services, Office of Telecommunications Management, and Prison Enterprises. Re-established funds are allowed to retain any surplus resulting from prior year operations. These and all monies from self-generated revenues are available for expenditure in the amounts appropriated. The Commissioner of Administration may approve increases from self-generated revenues, not exceeding in aggregate 5% of appropriated self-generated revenues. Only with the approval of the Division of Administration and the Joint Legislative Committee on the Budget will any larger increase in self-generated revenue over the amount appropriated be available to agencies for expenditure.

F. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2: DEPOSITS AND INVESTMENTS

A. DEPOSITS

Bank account and short-term investments, such as nonnegotiable certificates of deposit and money market deposit accounts, are included as deposits. In accordance with LRS 49:321, state depositing authorities shall require as security for deposit of state funds authorized bonds or other interest-bearing notes; authorized promissory notes, warrants, or certificates of indebtedness unmatured or payable on demand; or notes representing loans to students guaranteed by the Louisiana Student Financial Assistance Commission. Fair value, excluding interest, of such securities held by the depositing authority shall be equal to 100% of the amount on deposit to the credit of the depositing authority except that portion appropriately insured. Designated depositories may be granted a period not to exceed five days from the date of any deposit to post the necessary security.

The following chart presents bank deposit balances for the primary government and its component units as of June 30, 2013. Deposits are listed in terms of whether they are exposed to custodial credit risk, which is the risk that the state's deposits may not be returned in the event of a bank failure. Deposits are exposed to custodial credit risk if they are either: a) uninsured and uncollateralized, b) uninsured and collateralized with securities held by the pledging financial institution, or c) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the name of the State.

Bank Deposit Balances (Expressed in Thousands)

	Deposits Exposed to Custodial Credit Risk				
	Uninsured and Uncollateralized	Uninsured and Collateralized with Securities Held by Pledging Institution	Uninsured and Collateralized with Securities Held by Pledging Institution's Trust Dept. or Agent but not in State's Name	Total Bank Balances – All Deposits	Total Carrying Value – All Deposits
Primary Gov't & Fiduciary:					
Cash	$ 867	$ 56,426	$ 7,405	$ 1,651,585	$ 1,834,305
Certificates of Deposit	226,956		60	340,119	112,625
Other	8,494	7,238	59,265	200,838	200,838
Total Primary Gov't & Fiduciary:	$ 236,317	$ 63,664	$ 66,730	$ 2,192,542	$ 2,147,768
Component Units:					
Cash	23,705	53,077	40,486	1,072,034	1,033,056
Certificates of Deposit		150	10,130	124,196	124,192
Other			1,751	85,769	67,185
Total Component Units	$ 23,705	$ 53,227	$ 52,367	$ 1,281,999	$ 1,224,433
Total Bank Balances	$ 260,022	$ 116,891	$ 119,097	$ 3,474,541	$ 3,372,201

B. INVESTMENTS

LRS 49:327 authorizes the State Treasurer to invest available monies in direct Treasury obligations, government agency obligations, corporate bonds, perfected repurchase agreements, and reverse repurchase agreements, time certificates of deposit in specified banks, savings accounts or shares of certain savings and loan associations and savings banks, or in share accounts and share certificate accounts of certain credit unions. Such securities shall not have weighted-average maturities in excess of five years from the purchase date, except monies invested from special funds (those not considered general funds) which shall not exceed 10 years from the date of purchase. Repurchase Agreements must be collateralized by the pledge of securities at 102%. Funds not on deposit in the State Treasury are authorized to be invested in time certificates of deposit of specified banks, in savings accounts or shares of specified savings and loan associations and savings banks, or in share accounts and share certificate accounts of specified credit unions. Funds determined to be available for investment for less than 30 days are authorized to be invested in direct United States Treasury obligations that mature in not more than 29 days after the date of purchase. These funds are also required to be fully insured or collateralized.

Because of limited maturity dates, availability of securities, and yield, perfected repurchase agreements are entered into for short-term management purposes. LRS 49:341 - 343 grants defined public entities the authority to invest bond proceeds and monies held in any fund established in connection with bonds in any direct obligation of, or obligation guaranteed by, the United States and in tax-

exempt bonds until proceeds are required to be expended for the purpose of the issue.

LRS 39:99 directs the State Treasurer to offer each local school board the opportunity to enter into contract with the State to have its share of tobacco settlement monies invested and managed on its behalf by the State Treasurer. The State Treasurer maintains these monies in a pooled investment known as the Louisiana Education Excellence Fund, an external investment pool that is not registered with the SEC as an investment company. The pool invests in Treasury obligations, corporate bonds, and other securities as prescribed by LRS 17:3803. The securities are valued at fair market value, which are updated at least weekly and as often as daily. The State Treasurer neither guarantees nor obtains any legally binding guarantee to support the values of the shares in the pool. Participant's share of investments sold and redeemed in the pool is determined on a dollar basis and the earnings of the fund are credited back to the participants on a pro rata basis. As of June 30, 2013 the par value of the securities within the Louisiana Education Excellence Trust Fund is $26,845,423 and the carrying value, which equates fair market value, is $26,817,935.

LRS 11:263 directs Louisiana's pension systems to invest in accordance with the prudent man rule. As used in this statute, the rule means that the systems ". . . act with the care, skill, prudence, and diligence under the circumstances prevailing that a prudent institutional investor acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims." Notwithstanding the prudent man rule, no governing authority of any system shall invest more than 55% of the total portfolio in equities. Pension systems are required to give weight to certain factors including, but not limited to the experience of the professionals who will manage each investment, the jurisdiction of the laws that govern each investment, and the risk of fluctuations in currency that may accompany each investment when making investment decisions In addition, pension systems are further required to submit quarterly reports, as specified in the statute, to the House and Senate committees on retirement.

Generally, investment of funds by colleges and universities are subject to the same provisions of LRS 49:327 that govern the State Treasurer and State agencies. However, investment of funds of state colleges and universities derived from private sources such as gifts, grants, and endowments are governed by the "Uniform Prudent Management of Institutional Funds Act," LRS 9:2337.1 - 2337.8. If a donor has not provided specific instructions, state law permits the colleges and universities to authorize expenditure of the net appreciation (realized and unrealized) of the investments of endowment funds. Any net appreciation that is spent is required to be spent for the purposes for which the endowment was established. For the fiscal year ended June 30, 2013, $46,802,021 net appreciation of investments of endowment funds was available to be spent; $46,000,100 was restricted for specific purposes. These amounts are reported in the financial statements of the colleges and universities as restricted expendable net position, except for that which is unrestricted.

Authorized investments include "mortgages, stocks, bonds, debentures, and other securities of profit or nonprofit corporations, shares in or obligations of associations, partnerships, or individuals, and obligations of any government or subdivision or instrumentality thereof." In investing funds, the governing board of the college or university must exercise ordinary business care and prudence under the facts and circumstances prevailing at the time of the investment action or decision.

Management of the cash and investments held by the State Treasurer is independent of the automated accounting system of the state. The vast majority of the cash reported on the financial statements within all fund types is reported by the State Treasurer as investments for this note disclosure. In order to accurately compare the cash and investments shown on the accompanying financial statements with the carrying values of deposits and investments in the schedules presented as part of this note disclosure, the following reconciliation is provided (amounts expressed in thousands):

Carrying Value of Deposits per Note	$ 3,372,201	
Carrying Value of Investments per Note	43,572,330	
		$ 46,944,531
Cash per Financial Statements	$ 7,734,122	
Investments per Financial Statements	37,748,022	
Restricted Cash per Financial Statements	582,346	
Restricted Investments per Financial Statements	1,681,074	
Reconciling Items between Note and Financial Statements	(801,033)	
		$ 46,944,531

C. INVESTMENTS - CUSTODIAL CREDIT RISK

The following chart presents the investment position of the State at June 30, 2013, unless otherwise noted. The various types of investments are listed and presented by whether they are exposed to custodial credit risk by the State. Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the State will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Investments are exposed

to custodial credit risk if the securities are uninsured and unregistered and are either held by the counterparty, or by the counterparty's trust department or agent but not in the name of the State.

Schedule of Investments Carrying Amount
(Expressed in Thousands)

	Investments Exposed to Custodial Credit Risk			
	Uninsured, Unregistered, and Held by Counterparty	Uninsured, Unregistered, and Held by Counterparty's Trust Dept. or Agent but not in the State's Name	All Investments Reported Amount	All Investments Fair Value
General Government:				
Negotiable Certificates of Deposit			$3,901	$3,901
Repurchase Agreements		$9,231	37,951	37,951
U.S. Government Obligations:				
On Securities Loan			5,083,112	5,083,112
Not On Securities Loan		48,242	181,339	181,339
Common & Preferred Stock			232,358	232,358
Domestic & Foreign Bonds			1,673,284	1,673,284
Mortgages, Notes and Other				
Miscellaneous Short Term			1,113	1,113
Mutual Funds		15,002	716,401	716,401
Miscellaneous			102,728	102,728
Total General Government		72,475	8,032,187	8,032,187
Retirement Systems and Other Trusts:				
Repurchase Agreements			390,858	390,858
U.S. Government Obligations:				
On Securities Loan			386,879	386,879
Not On Securities Loan			1,286,579	1,286,579
Common & Preferred Stock:				
On Securities Loan			2,544,033	2,544,033
Not On Securities Loan			11,696,510	11,696,510
Domestic & Foreign Bonds:				
On Securities Loan			201,404	201,404
Not On Securities Loan			3,299,562	3,299,562
Mortgages, Notes and Other			286,111	286,111
Miscellaneous Short Term			2,791,897	2,791,897
Mutual Funds			850,075	850,075
Real Estate			1,257,136	1,257,136
Synthetic Guaranteed Investment Contracts			399,101	399,101
Mezzanine Financing Investments			389,606	389,606
Alternative Investments			4,594,683	4,594,683
Collateral Held Under Securities Lending Program		122,506	3,198,697	3,198,697
Total Retirement Systems and Other Trusts		122,506	33,573,131	33,573,131
Total Primary Government and Fiduciary		194,981	41,605,318	41,605,318
Component Units:				
Negotiable Certificates of Deposit			41,609	41,609
Repurchase Agreements	$2,012		49,820	49,820
U.S. Government Obligations		10	489,499	488,981
Common & Preferred Stock		19,916	96,161	106,213
Domestic & Foreign Bonds		6,028	239,076	239,076
Mortgages, Notes & Other			95,579	95,579
Mutual Funds	33,165	28,518	561,747	561,747
External Investment Pool			109,766	109,766
Real Estate			9,029	9,029
Alternative Investments			50,113	50,113
Investments Held in Private Foundations			224,612	224,612
Total Component Units	35,177	54,472	1,967,011	1,976,545
TOTAL INVESTMENTS	$35,177	$249,453	$43,572,330	43,581,863

D. INVESTMENTS - INTEREST RATE RISK

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of investments. Also, investments can be highly sensitive to changes in interest rates due to their terms or characteristics.

State Treasury

The State Treasury limits the interest rate risk of the General Fund by limiting maturities of its investments to five years or less. The interest rate risk of certain special funds within the State Treasury is limited by restricting maturities of their investments to ten years or less. The interest rate risk of the Louisiana Education Quality Trust Fund (LEQTF), Millennium Trust Fund, and the Medicaid Trust Fund portfolios are limited by managing their maturity and duration using fixed income indices as benchmarks to gauge and limit such risk. Further, these portfolios' durations are limited by policy to 15 years or less for LEQTF, and 10 years or less for the Millennium Trust Fund and the Medicaid Trust Fund to minimize interest rate risk. As of June 30, 2013 the State Treasury has no investments with fair values that are highly sensitive to changes in interest rates due to their terms or characteristics, but held $223,853,957 in securities whose coupon rates were subject to change.

As of June 30, 2013, the State Treasury had the following debt investments and maturities (amounts expressed in thousands).

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	Greater Than 10
U.S. Government Obligations	$3,516,643	$1,472,013	$1,707,620	$301,830	$35,179
U.S. Agency Obligations	1,714,326	1,002,103	283,245	259,909	169,069
Corporate Bonds	1,006,592	148,186	346,704	249,868	261,834
Municipal Bonds	653,026	58,211	98,434	188,414	307,967
Non US Sovereign Securities	15,858	8,000	7,858		
Total	$6,906,445	$2,688,513	$2,443,861	$1,000,021	$774,049

Retirement Systems and Other Trusts

At June 30, 2013, the Louisiana School Employees' Retirement System (LSERS) held $468,578,980 in total debt investments, $115,338,415 with maturities of less than 1 year, $127,735,676 with maturities of 1 to 5 years, $76,519,817 with maturities of 6 to 10 years, and $148,985,072 with maturities of more than 10 years. The Louisiana State Employees' Retirement System (LASERS) held $2,529,342,265 in total debt investments, $1,249,875,674 with maturities of less than 1 year, $369,010,873 with maturities of 1 to 5 years, $487,660,730 with maturities of 6 to 10 years, and $422,794,988 with maturities of more than 10 years. The Teachers' Retirement System of Louisiana (TRSLA) held $3,780,238,366 in total debt investments, $1,164,777,706 with maturities of less than 1 year, $841,101,088 with maturities of 1 to 5 years, $818,047,567 with maturities of 6 to 10 years, and $956,312,005 with maturities of more than 10 years. The Louisiana State Police Retirement System (LSPRS) held $34,681,856 in total debt investments, $1,427,545 with maturities of less than 1 year, $9,367,491 with maturities of 1 to 5 years, $11,203,622 with maturities of 6 to 10 years, and $12,683,198 with maturities of more than 10 years.

The TRSLA and LSPRS investment policies expect its fixed income managers to approximate the portfolio's duration to established benchmarks for fixed income investments. LSERS investment policy indicates that its fixed income securities portfolio is limited to 20% for domestic and 15% for international debt securities. LASERS have no formal interest rate risk policy, but LASERS expects its fixed income managers to approximate the portfolio's duration to within two years of its respective benchmarks for fixed income investments.

The table below displays the aggregate total of the state retirement systems and other trusts debt investments by type and maturities (amounts expressed in thousands) as of June 30, 2013.

Investment Type	Fair Value	Investment Maturities (in Years) Less Than 1	1-5	6-10	Greater Than 10
U.S. Government obligations	$973,197	$7,987	$251,662	145,350	$568,198
U.S. Agency obligations	149,177	32,367	42,815	8,845	65,150
Mortgage backed securities and Collateralized mortgage obligations	286,111		520	16,188	269,403
Corporate bonds	1,701,926	128,670	506,127	755,529	311,600
Foreign bonds	1,841,392	381,988	623,994	511,831	323,579
Mutual funds	713,212	5,627			707,585
Other bonds					
Other	2,060,075	2,024,428	22,232	10,570	2,845
Total	$7,725,090	$2,581,067	$1,447,350	$1,448,313	$2,248,360

E. INVESTMENTS - CREDIT RISK & CONCENTRATION OF CREDIT RISK

The credit risk of investments is the risk that the issuer or other counterparty will not meet its obligations. This credit risk is measured by the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating organizations (rating agencies) such as Standard & Poor's (S&P) and Moody's. The concentration of credit risk is the risk of loss that may occur due to the amount of investments in a single issuer (not including investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools).

State Treasury

State statutes and investment policies limit the State Treasury investments to government securities with explicit guarantees by the U.S. government, agency securities with implicit U.S. government guarantees, and other fixed income securities with investment grade ratings by Moody's and S&P. The State Treasury has no limit on the amount it may invest in any one issuer.

Originally, Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac) securities held by the State carried an implicit guarantee of the US Government, but are now backed by a capital pledge of the US government. Of the State Treasury's total investments, 6.0% are issues of the Federal National Mortgage Association (Fannie Mae), 10.0% are issues of the Federal Home Loan Bank and 4.7% are issues of the Federal Home Loan Mortgage Corporation (Freddie Mac).

The accompanying table illustrates the State Treasury's investments exposure to credit risk as of June 30, 2013 (expressed in thousands):

Rating	Fair Value
U.S. Government Securities	$3,516,643
U.S. Government Agencies (GSEs)	1,714,326
AAA	631,926
AA	504,973
A	404,864
BBB	241,391
BB	600
Not Rated	1,141,875
Total	$8,156,598

Retirement Systems and Other Trusts

The investment policies of the state's retirement systems and other trusts prescribe the level of credit risk to which their investments in debt securities are exposed. The Louisiana Asset Management Pool (LAMP, an investment trust fund) had investments in U.S. government agency obligations with a fair value of $529,909,271, all of which were rated AAA by S&P and $831,551,139 in commercial paper rated at either A-1 or A-1+.

The accompanying table illustrates the State's Other Trusts' investments exposure to credit risk as of June 30, 2013 (expressed in thousands):

Rating	Fair Value
U.S Government Securities	$35,440
U.S. Government Agencies (GSEs)	65,495
AAA	14,645
AA	47,002
A	26,435
BBB	14,979
Not rated	707,585
Total	$911,581

LSPRS has the following investments that represent 5% or more of LSPRS's total investments at June 30, 2013:
(1) Loomis Sayles Fixed Income Fund; (2) Institutional Equity Funds; (3) State Street S&P 500 Flagship Fund; and (4) State Street Aggregate Bond Index Securities Lending (5) Templeton Foreign Equity Series. None of the other retirement systems or trusts had investments in any

one issuer (other than those issued or guaranteed by the U.S. government) that represented more than 5% of its total investments.

The following table details the total fair market value of investments in debt securities exposed to credit risk at June 30, 2013 for each of the state's retirement systems.

	Fair Value (in thousands)			
Rating	**LSERS**	**LASERS**	**TRSLA**	**LSPRS**
AAA	$19,707	$ 30,825	$412,339	$1,020
AA+	10,110	209,725		1,133
AA	1,212	6,297		
AA-	4,753	167,466		2,071
A+	12,287	142,607		3,877
A	31,495	50,547		11,150
A-	34,202	86,121		4,163
A-1		310,148	50,990	
A-1+		173,365		
A-2			41,875	
A-3			106,746	
AA1			17,836	
AA2			15,790	
AA3			25,929	
BBB+	12,256	38,051		1,117
BBB	25,349	45,524		
BBB-	9,233	52,346		
BB+	2,045	38,392		
BB	2,366	58,330		
BB-	4,599	71,934		
B+	1,585	73,735		
B	2,302	78,773		
B-	767	75,307		
B1			68,680	
B2			29,108	
B3			25,870	
BA1			21,673	
BA2			32,668	
BA3			70,116	
BAA1			101,531	
BAA2			119,011	
BAA3			53,752	
CA			740	
CAA1			12,893	
CAA2			10,684	
CAA3			1,311	
CCC+	1,496	60,377		
CCC	7,157	57,589		
CCC-		4,684		
CC	693	17,377		
C		299		
D	6,035	104,355		
P-1			668	
VMIG				
Not Rated	156,424	575,168	1,554,050	
Sec. Lending Collat. Pool				
Total	$346,073	$2,529,342	$2,774,260	$24,531

F. FOREIGN CURRENCY RISK

State Treasury

The State Treasury limits the foreign currency risk of the State's investments by prohibiting investing in instruments denominated in foreign currencies. Also, the State has no deposits held by the State Treasury denominated in foreign currencies.

Retirement Systems and Other Trusts

Louisiana School Employees' Retirement System's (LSERS) investment policy targets 15% of its portfolio to be invested in foreign marketable securities. However, at June 30, 2013, the current position is 7% and totals $190,768,295. The Louisiana State Employees' Retirement System (LASERS) held foreign marketable securities with a fair value of $1,688,482,778 at June 30, 2013 and the Teachers' Retirement System of Louisiana (TRSLA) held $3,035,838,057. The Louisiana State Police Retirement System (LSPRS) investment policy allows no more than 15.0% of their portfolio to be international equities; however at June 30, 2013 the system held no international equities. The following table illustrates the total exposure to foreign currency risk at June 30, 2013 of $4,915,089,130 by currency denomination and investment type:

	Fair Value (U.S. dollars) (in thousands)	
Currency	**Bonds**	**Stocks & Other**
Australian dollar	$83,929	$145,993
Brazilian real	78,400	43,418
British pound	76,367	708,280
Canadian dollar	16,715	149,256
Chilean Peso	239	
Columbian peso	7,243	(275)
Czech koruna		2,950
Danish krone		43,142
European euro	218,555	1,055,750
Hong Kong dollar		209,608
Hungarian forint	44,894	2,598
Indonesian rupiah	35,228	15,419
Israeli shekel		9,996
Japanese yen	31,968	613,315
Malaysian ringgit	68,326	26,787
Mexican new peso	176,059	35,565
New Taiwan dollar		313
New Turkish lira	52,298	16,322
New Zealand dollar	29,474	6,765
Nigerian Naira	616	2,003
Norwegian krone	12,657	29,588
Peruvian pen		258
Peruvian sol	80	850
Philippines Peso	5,519	3,359
Polish zloty	55,322	1,514
Romanian Leu		914
Russian ruble	54,542	
Singapore dollar	2,840	97,017
South African rand	60,965	60,105
South Korean won	24,392	52,822
Swedish krona	10,535	93,855
Swiss franc		291,061
Thailand baht	32,580	16,798
Total	$1,179,743	$3,735,346

G. SECURITIES LENDING

State Treasury and Other Trusts

In accordance with its authority under LRS. 49:321.1, the State has entered into a securities lending agreement that functions as a reverse repurchase/repurchase arrangement, with Morgan Stanley acting as principal. Under the arrangement, Morgan Stanley purchases (or borrows) on an overnight basis that portion of the State's pool of U.S. Treasury and Agency securities which the State from time to time makes available for such purposes, with a simultaneous agreement to resell or repurchase such securities at the termination of the transaction. The reverse repurchase and repurchase transactions are executed pursuant to the terms of a paired repurchase agreement among the State, the Bank of New York and Morgan Stanley. The State receives U.S. Government Sponsored Entity, or "agency", collateral in return for the securities that it reverses to Morgan Stanley under the terms of the reverse repurchase transaction on a fixed-spread basis.

Four separate funds were included in the securities lending agreement for the fiscal year ending June 30, 2013. At June 30, 2013, the collateral exceeded the value of the securities on loan by $344,972,633 for the general fund, $10,723,870 for the Louisiana Education Quality Trust Fund (LEQTF), $7,109,912 for the Medicaid Trust Fund for the Elderly (the Medicaid Trust), and $7,231,283 for the Millennium Trust Fund (the Millennium Trust).

At June 30, 2013, the value of securities on loan was $4,545,890,825 for the Treasurer's pooled general fund investments; $211,750,849 for LEQTF; $173,151,394 for the Medicaid Trust Fund; and $152,318,749 for the Millennium Trust Fund.

In each transaction, Morgan Stanley delivers collateral from its account at the Bank of New York to the State's custodial account at the Bank of New York. The Bank of New York monitors the movement of the collateral to ensure it is sufficient (equal to at least 102% of the value of the securities borrowed) and in compliance with the terms of the reverse repurchase/repurchase agreement. The market value principal of the repurchase transaction can be modified on any given day for purchased, sold or matured securities. Morgan Stanley then receives any excess collateral, or delivers additional collateral, against the new principal market value of the State's investment securities on loan through the repurchase transaction. During the term of any particular transaction, the State's right to receive or sell the collateral is determined pursuant to the terms of the repurchase agreement, which provides for such rights upon borrower default, and in accordance with other applicable state and federal laws. The State has experienced no losses on securities lending transactions and loss indemnification is provided in the contract with Morgan Stanley.

The State's security lending agreements also include U.S. Government and Government Sponsored Entity securities held within the State's other trust funds (Education Excellence, Patient's Compensation, & Louisiana Education Tuition & Savings Fund). As of June 30, 2013, the fair market value of the securities held within the trust funds was $911,581,348 of which $100,754,966.67 was on loan.

As of June 30, 2013, the State had limited credit risk exposure because the market value of the U.S. Government and Government Sponsored Entity securities pledged as collateral to the State exceeded the value of securities the State had out on loan by $377,683,784. The value of the securities on loan was $5,183,866,784 and the total market value of the securities held as collateral was $5,561,550,568. The value of the collateral securities was 107.29% of the value of loaned securities. The Risk to the State is further mitigated because loss indemnification is provided to the State in the securities lending contract with Morgan Stanley.

Retirement Systems

The Teachers' Retirement System of Louisiana (TRSLA), the Louisiana State Police Retirement System (LSPRS), the Louisiana School Employees' Retirement System (LSERS), and the Louisiana State Employees' Retirement System (LASERS) are authorized by their respective boards of trustees to operate securities lending programs. These programs are designed to produce supplemental income on investments with little or no additional risk. All securities are available for loan to pre-approved securities dealers. Securities dealers must meet specific criteria to be approved. The TRSLA and LSPRS lend securities for cash, cash collateral or other securities/investment collateral. The LASERS and LSERS lend securities for cash, cash collateral, and U.S. government securities. Additionally, LSERS may lend its securities for irrevocable letters of credit and LASERS may lend securities for other securities/investments collateral. Collateral held under the programs, which may be reinvested by the systems under the terms of the agreement with the broker/dealer, is recorded as an asset with a corresponding liability; otherwise, the collateral is not recorded on the statement of net position. None of the retirement systems may pledge or sell collateral securities received unless the borrower defaults.

The TRSLA lends domestic securities for cash collateral of 100%, domestic securities for other securities collateral at 102%, and international securities for cash collateral or other securities collateral of 105%. The LSPRS and LASERS lend U.S. securities for collateral valued at 102%

of the market value of the securities. LSERS lend U.S. securities for collateral valued at 103% of the market value of the securities. Non-U.S. securities are loaned for collateral valued at 105% of the market value of the securities for LSERS and for LASERS. In instances where LSPRS, TRSLA and LSERS loans are for term, the reinvestment of the cash is matched to the maturity of the loan. The majority of LASERS loans are terminable at will. Therefore, their duration will not generally match the duration of the investments made with cash collateral.

At June 30, 2013, neither LASERS, LSPRS, TRSLA, nor LSERS had any credit risk exposure to borrowers at year end because the amount the plan owes the borrowers exceeds the amount the borrowers owe the plan. Securities loans of all four systems may be terminated on demand by either party within a period specified in the related agreement. There were neither significant violations of legal or contractual provisions, nor borrower or lending agent default losses known to the securities lending agents of LSPRS, LSERS, or TRSLA. However, due to disruptions in the credit markets beginning in the fall of 2008, prices of several securities dropped. At June 30, 2012, LASERS had an approximate $11,900,000 payable to BNY Mellon due to losses on Lehman Brothers securities. During fiscal year 2013, $7,000,000 in securities lending income has been applied bringing the balance owed to BNY Mellon to $4,900,000. The LSPRS, LASERS and LSERS have indemnification agreements with their securities lending agents in case of borrower default. Securities on loan at June 30, 2013 totaled $961,301,110 for LASERS, $31,270,530 for LSPRS, $1,919,764,049 for TRSLA, and $119,225,837 for LSERS.

H. DERIVATIVES

Governmental Activities

As of June 30, 2013, the State is a party to 8 pay-fixed, receive-variable interest rate swaps. These instruments are reported on the government-wide statement of net position at fair value. The fair values take into consideration the prevailing interest rate environment and the specific terms and conditions of each swap. All fair values were estimated using the zero-coupon discounting method. This method calculates the future payments required by the swaps, assuming current forward rates implied by the yield curve. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bonds due on the date of each future net settlement payment.

On May 30, 2013 proceeds from the issuance of the General Obligation Series 2013-C were used to terminate the interest rate swaps on the Series 2011 General Obligation Refunding Bonds. The State paid $18,913,000 to the counterparties upon termination resulting in a loss of $7,393,000. As of June 30, 2013, the State determined that remaining pay-fixed interest rate swaps qualify for hedge accounting under GASB Statement No. 53. Accordingly, changes in fair market value are offset by corresponding deferred amounts on the government-wide statement of net position.

The tables below summarize the derivatives activity for the year and the key terms and objectives of the derivative instruments outstanding at June 30, 2013:

Summary of Hedging Derivative Instruments

(In Thousands)

	Changes in Fair Value		Fair Value at June 30	
	Classification	Amount	Classification	Amount
Governmental Activities:				
Hedging Derivative Instruments				
Cash Flow Hedges				
Pay-Fixed Interest Rate Swaps	Deferred Inflows of Resources	$ 143,232	Derivative Instrument Asset	$ 25,266
Investment Derivative Instruments				
	Investment Loss	$ 7,393	Derivative Instrument Liability	$ -

Terms and Objectives of Hedging Derivative Instruments

(In Thousands)

Type	Notional	Objective	Effective Date	Maturity Date	Terms	Counterparty Credit Rating (Moody's/S&P)
Pay-Fixed, Receive Variable Interest Rate Swap	$46,500	Hedge changes in cash flows on the Gas and Fuels 2013 Series B-2 bonds	05/01/09	05/01/43	Pay 3.694%; Receive 70% of USD-LIBOR	Aa3/A+
Pay-Fixed, Receive Variable Interest Rate Swap	$14,125	Hedge changes in cash flows on the Gas and Fuels 2013 Series B-1 and B-2 bonds	05/01/09	05/01/41	Pay 3.699%; Receive 70% of USD-LIBOR	Aa3/A+
Pay-Fixed, Receive Variable Interest Rate Swap	$56,500	Hedge changes in cash flows on the Gas and Fuels 2013 Series B-2 bonds	05/01/09	05/01/41	Pay 3.692%; Receive 70% of USD-LIBOR	A2/A+
Pay-Fixed, Receive Variable Interest Rate Swap	$186,000	Hedge changes in cash flows on the Gas and Fuels 2013 Series B-1 bonds	05/01/09	05/01/43	Pay 3.692%; Receive 70% of USD-LIBOR	A2/A+
Pay-Fixed, Receive Variable Interest Rate Swap	$14,125	Hedge changes in cash flows on the Gas and Fuels 2009 Series A-4 bonds	04/01/12	05/01/41	Pay 3.85%; Receive 70% of USD-LIBOR	Aa3/AA-
Pay-Fixed, Receive Variable Interest Rate Swap	$46,500	Hedge changes in cash flows on the Gas and Fuels 2009 Series A-4 bonds	04/01/12	05/01/43	Pay 3.842%; Receive 70% of USD-LIBOR	Aa3/AA-
Pay-Fixed, Receive Variable Interest Rate Swap	$93,000	Hedge changes in cash flows on the Gas and Fuels 2009 Series A-3 bonds	04/01/12	05/01/43	Pay 3.9235%; Receive 70% of USD-LIBOR	A2/A+
Pay-Fixed, Receive Variable Interest Rate Swap	$28,250	Hedge changes in cash flows on the Gas and Fuels 2009 Series A-3 bonds	04/01/12	05/01/41	Pay 3.9315%; Receive 70% of USD-LIBOR	A2/A+

The swaps associated with the 2009 A-3 and 2009 A-4 Gas and Fuels bonds were set to terminate during fiscal year 2012. In April 2012 the State executed swap agreements with new counterparties in order to avoid a large termination payment. Under this arrangement, the new counterparties provided the capital to terminate the swaps with the old counterparties. In consideration, the State entered into new swap agreements with pay-fixed rates of interest which were higher than market rates on the effective dates of the new swaps. For financial reporting purposes the new swap agreements were treated as two separate components: 1) a pay-fixed, receive-variable interest rate swap with a reference rate equal to the market rate on the effective date and 2) an imputed borrowing component bearing an interest rate equal to the difference between the pay-fixed rate and the market rate on the effective date. Identical accounting treatment was given to the interest rate swaps originally hedging the Series 2009 A-1 and 2010 A Gas and Fuels bonds upon refunding by Series 2013 B-1 and 2013 B-2 Gas and Fuels bonds. Imputed borrowings are amortized over the remaining life of the associated interest rate swap. The imputed borrowings are included in "Other Long-term Liabilities" in the government-wide statement of net position and are included in Note 8 Section D. The principal balance at June 30, 2013 was $161,861,395. Principal and interest for the year were $2,898,287 and $1,774,655, respectively.

Credit Risk: Usually when the fair value of any swap instrument is positive, the State would be exposed to the risk that the swap counterparties will not fulfill their obligations to make net settlement payments to the State. However, the derivative assets reported in the financial statements reflect only the "at-the-market" portion of the swap agreements. The "off-market" portions of the swaps are reported in the financial statements as imputed borrowings. During the year the carrying value of the imputed borrowings exceeded the fair value of the "at-the-market" portion of the swaps resulting in net settlement payments due from the State to the counterparties. Consequently, the State had no exposure to credit risk.

Interest Rate Risk: The State's participation in pay-fixed, receive-variable interest rate swaps exposes the State to interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of a government's financial instruments or a government's cash flows. Fluctuations in interest rates affect the net settlement payments between the counterparties and the fair value of the swaps. Currently, the variable rate of interest the State receives under the swap agreements (70% of 1-month USD-LIBOR) is lower than the fixed rates the State pays (3.692% - 3.9315%). A decline in USD-LIBOR relative to the pay-fixed rates will adversely affect the State. On the other hand, an increase in USD-LIBOR relative to the pay-fixed rates will favorably affect the State.

Basis Risk: Basis risk is the risk that arises when variable rates or prices of a hedging derivative instrument and a hedged item are based on different reference rates. The variable rate the State received under the swap agreements and the variable rate paid to bondholders are both based on 1-month USD-LIBOR. Therefore, the State is not exposed to basis risk.

Termination Risk: The State or the swap providers may terminate the swap agreement if the other party fails to perform under the terms of the contract. As long as the State continues to perform its obligations on the swap contracts, there is no termination risk arising from the provider actions during the next fiscal period. However, there is termination risks should the State determine to take action regarding the outstanding bonds which would

trigger an event of termination on the existing swaps. Also, if at the time of the termination the swap has a negative fair value, the State would be liable to the swap providers for a payment equal to the swap's fair value.

Rollover Risk: Rollover risk is the risk that a hedging derivative instrument associated with a hedgeable item does not extend to the maturity of that hedgeable item. Because the interest rate swaps are coterminous with the hedged debt, the State is not exposed to rollover risk.

Market access Risk: Market-access risk is the risk that the State will not be able to enter credit markets or that credit will become more costly. The interest rate swaps do not expose the State to this type of risk.

Foreign Currency Risk: Foreign currency risk is the risk that changes in exchange rates will adversely affect cash flows or fair market values. The interest rate swaps do not expose the State to foreign currency risk.

Fiduciary Funds

LASERS, TRSL, and LSERS held investments in various derivative financial instruments including interest-only strips, principal-only strips, collateralized mortgage obligations, options, forward foreign exchange contracts, futures contracts, and synthetic guaranteed investment contracts (SGIC).

TRSL invests in interest-only strips and principal-only strips which are mortgage-backed securities that involve the separation of the interest and principal components of a security.

TRSL and LASERS invest in collateralized mortgage obligations which are collateralized by mortgages, mortgage pass-through securities, and stripped mortgage-backed securities and can be highly sensitive to interest rate fluctuations. Additionally, TRSL and LASERS invest in forward foreign exchange contracts which are contractual agreements between two parties to pay or receive specific amounts of foreign currency at a future date in exchange for another currency for an agreed upon exchange rate. The systems also invests in futures contracts which are agreements for delayed delivery of securities, currency, commodities, or money market instruments in which the seller agrees to make delivery at a specified future date of a specified instrument, at a specific price or yield. TRSL further invests in options on futures allowing the holder and writer of the option the right to exchange futures positions.

LASERS also maintains a fully benefit-responsive synthetic guaranteed investment contract option for members of the Optional Retirement Plan and the Self-Directed Plan. The investment objective of the SGIC is to protect members from loss of their original investment and to provide a competitive interest rate. As of June 30, 2013, the fair value of LASERS Stable Value Fund was $402.8 million. The fair value of this fund exceeded the value protected by the wrap contract by $3.7 million. The counterparty rating for the wrap contract is AA.

The table below provides summary data for the State's outstanding derivative instruments within the fiduciary funds as of June 30, 2013.

Summary of Investment Derivative Instruments
(In Thousands)

		Changes in Fair Value		Fair Value at June 30	
	Notional	Classification	Amount	Classification	Amount
Fiduciary Funds					
Investment Derivative Instruments					
Futures Based Overlay Program	$1,751	Net Appreciation/(Depreciation) in Fair Value of Investments	$4,953	Domestic Bonds	$3,688
Short Sales & Written Options	$0	Alternative Investment Income	($9,386)	Alternative Investments	($16,976)
Fixed Income Futures	($29,717)	Net Appreciation/(Depreciation) in Fair Value of Investments	($67)	Not Applicable	$0
Forw ard Foreign Exchange Contracts	$28,289	Net Appreciation/(Depreciation) in Fair Value of Investments	$488	Investments	$1,599
Commodity Futures	$126,471	Net Appreciation/(Depreciation) in Fair Value of Investments	($4,489)	Alternative Investments	($5,015)
Options	$0	Net Appreciation/(Depreciation) in Fair Value of Investments	$1,713	Alternative Investments	$3,063

Risk Disclosures

Credit Risk: As of June 30, 2013 TRSL's credit risk had not increased with the use of the overlay strategy because the futures based overlay program uses exchange traded futures contracts. Likewise, LSER's has no direct credit risk exposure from the equity futures or fixed income futures because the futures are settled daily by the exchange, which is the counterparty for all transactions.

Interest Rate Risk: At June 30, 2013 LSERS is exposed to interest rate risk on the fixed income futures. The values of the futures are directly linked to interest rate indices which increase and decrease as interest rates change.

Foreign Currency Risk: As of June 30, 2013 LSER's fixed income futures and LASER's forward currency forwards were exposed to foreign currency risk. At June 30, 2013 the fixed income futures, which are denominated in British pounds, Australian dollars, and Canadian dollars had a fair value of $-0-.

The following table illustrates LASER's total exposure to foreign currency risk at June 30, 2013 of $(12,223,121) by currency denomination:

	Fair Value (U.S. dollars)
Currency	**Value**
Australian Dollar	$(10,384,026)
Brazilian Real	160,110
Canadian Dollar	74,877
Colombian Peso	(532,473)
Euro	(261,536)
Japanese Yen	(574,169)
Turkish Lira	1,458
New Zealand Dollar	(2,470,503)
Peruvian Sol	849,250
Romanian Leu	913,891
Total	$(12,223,121)

At June 30, 2013 foreign currency risk has been reduced by use of the futures based overlay program. The use of the overlay program reduced the variance of TRSL's actual return to the benchmark return.

NOTE 3: ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE

Balances of receivables and payables have been aggregated for presentation in the accompanying financial statements. The following schedules provide additional detail concerning balances of receivables and payables by category and fund type.

A. RECEIVABLES

Receivable balances at June 30, 2013, are as follows (expressed in thousands):

	Governmental Funds					
	General Fund	Bond Security and Redemption Fund	Capital Outlay Fund	Louisiana Education Quality Trust Fund	Nonmajor Funds	Total Governmental Funds
Applicants and Clients	$ 364,215	$ --	$ --	$ --	$ --	$ 364,215
Corporate/Individual Tax	--	836,207	--	--	--	836,207
Excise Tax	--	87,044	--	--	--	87,044
Gaming	--	16,361	--	--	--	16,361
Licenses, Permits, and Fees	--	36,950	--	--	--	36,950
Mineral Resources	--	58,883	--	--	28	58,911
Motor Fuel Tax	--	34,703	--	--	1,652	36,355
Public Assistance	--	10,279	--	--	--	10,279
Sales of Commodities and Services	--	17,814	--	--	--	17,814
Sales Tax	--	311,110	--	--	1,709	312,819
Severance Tax	--	85,462	--	--	--	85,462
Tobacco Products Tax	--	6,699	--	--	--	6,699
Other Taxes	--	123,305	--	--	8,878	132,183
Other	5,319	45,779	13,803	3	984	65,888
Total Receivables	369,534	1,670,596	13,803	3	13,251	2,067,187
Allowance for Uncollectibles	--	(5,165)	--	--	--	(5,165)
Receivables, Net	$ 369,534	$ 1,665,431	$ 13,803	$ 3	$ 13,251	$ 2,062,022
Amounts not expected to be collected within one year	$ --	$ 686,772	$ --	$ --	$ --	$ 686,772

	Proprietary Funds				
	Business-Type Activities – Enterprise Funds				Governmental Activities
	Unemployment Trust Fund	LCTCS	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Employer Contributions	$ 175,181	$ --	$ --	$ 175,181	$ --
Student Tuition and Fees	--	23,246	--	23,246	--
Other	--	7,365	7,704	15,069	7,441
Total Receivables	175,181	30,611	7,704	213,496	7,441
Allowance for Uncollectibles	(94,278)	(5,294)	--	(99,572)	
Receivables, Net	$ 80,903	25,317	$ 7,704	$ 113,924	$ 7,441
Amounts Not Expected to be Collected Within One Year	$ --	$ 60	$ 1,879	$ 1,939	$ --

B. ACCOUNTS PAYABLE AND ACCRUALS

Accounts payable and accruals at June 30, 2013, are as follows (expressed in thousands):

	Governmental Funds				
	General Fund	Bond Security and Redemption Fund	Capital Outlay	Nonmajor Funds	Total Governmental Funds
Aid to Local Governments	$ 27,361	$ --	$ --	$ --	$ 27,361
Community Development	97,717	--	--	--	97,717
Economic Development	7,385	--	--	--	7,385
Emergency Preparedness and Disaster Recovery	771,826	--	--	--	771,826
Engineering and Operations	20,156	--	--	--	20,156
General Administration	15,476	--	--	--	15,476
Highway Operation and Maintenance	--	--	244,919	--	244,919
Inmate Housing	18,270	--	--	--	18,270
Job Training and Placement Programs	9,300	--	--	--	9,300
Medicaid	490,421	--	--	--	490,421
Personal and Mental Health	27,606	--	--	--	27,606
Public Assistance	40,858	--	--	--	40,858
Public Safety and Law Enforcement	56,618	--	--	--	56,618
Recovery School District	13,186	--	--	--	13,186
Student-Centered Goals	55,720	--	--	--	55,720
School and District Innovations	34,873	--	--	--	34,873
School and District Supports	137,573	--	--	--	137,573
Other State Programs	69,616	313	--	7,050	76,979
Total Accounts Payable and Accruals	$ 1,893,962	$ 313	$ 244,919	$ 7,050	$ 2,146,244

	Proprietary Funds				
	Business-Type Activities – Enterprise Funds				Governmental Activities
	Unemployment Trust Fund	LCTCS	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Funds
General and Administrative	$ --	$ 18,176	$ 489	$ 18,665	$ --
Vendors	--	13,510	3,603	17,113	--
Other	108	2,296	1,629	4,033	924
Total Accounts Payable and Accruals	108	33,982	5,721	39,811	924

NOTE 4: INTERFUND ACCOUNTS AND TRANSFERS

A. RECEIVABLES AND PAYABLES

A summary of interfund receivables and payables at June 30, 2013, is shown below (expressed in thousands):

	Primary Government	
	Due From	Due To
GOVERNMENTAL FUNDS:		
General Fund	$ 1,047,606	$ 305,639
Bond Security and Redemption Fund	282,717	1,071,136
Capital Outlay Escrow Fund	130,270	492
Louisiana Education Quality Trust Fund	1,814	8,049
Nonmajor Funds	105,499	173,665
Total Governmental Funds	1,567,906	1,558,981
PROPRIETARY FUNDS:		
Louisiana Community & Technical Colleges System	4,948	603
Nonmajor Funds	1,080	14,350
Internal Service Funds	--	--
Total Proprietary Funds	6,028	14,953
GRAND TOTALS	$ 1,573,934	$ 1,573,934

B. TRANSFERS IN AND OUT

A summary of transfers in and out at June 30, 2013, is shown below (expressed in thousands):

	Primary Government	
	Transfers In	Transfers Out
GOVERNMENTAL FUNDS:		
General Fund	$ 12,044,109	$ 372,940
Bond Security and Redemption Fund	137,186	11,897,472
Capital Outlay Escrow Fund	1,105,712	130,766
Louisiana Education Quality Trust Fund	61,749	23,000
Nonmajor Funds	672,741	1,697,529
Total Governmental Funds	14,021,497	14,121,707
PROPRIETARY FUNDS:		
Louisiana Community & Technical Colleges System	129,013	602
Nonmajor Funds	17,221	30,422
Internal Service Funds	--	15,000
Total Proprietary Funds	146,234	46,024
GRAND TOTALS	$ 14,167,731	$ 14,167,731

C. DETAILS OF INTERFUND BALANCES AND TRANSFERS

Per the Louisiana Constitution, most state revenues are deposited into the Bond Security and Redemption Fund (BSRF). The BSRF is used to provide for the collection of all money deposited into the State Treasury except federal funds, donations, or other forms of assistance when terms and conditions of the related agreement require otherwise. This process is unique to Louisiana to ensure that all obligations secured by the full faith and credit of the State that are due and payable are met. Each year an amount is allocated from this fund to pay the obligations of the State, including debt principal, interest, premiums, and sinking or reserve funds. All monies remaining in the fund are transferred to the General Fund and various other funds at year end. The BSRF does not retain a fund balance. As a result, there are a large number of transfers from BSRF to the General Fund and to other funds.

The General Fund, which is the principal operating fund of the State, provides for the distribution of funds appropriated by the legislature. The fund pays for the administrative and operating expenses of the State. The funds appropriated to the General Fund by the legislature consist of general revenue appropriations which includes transfers from BSRF and various special revenue funds. Special revenue funds account for the proceeds from specific revenue sources which are used for specific purposes relating to the operations of the State. As a result of the appropriations process and as part of the general

operations of the State, the General Fund receives a large number of transfers which are then used to provide for the day-to-day activities of the State.

Below is a discussion of the larger, more significant interfund transfers of the nonmajor funds.

- Transportation Infrastructure Model for Economic Development (TIMED) – This fund was established in 1989 to be used exclusively for specific road and bridge projects with portions designated for the Port of New Orleans and the New Orleans International Airport. During fiscal year 2013, this fund had transfers out of $92 million and transfers in totaled $240 thousand.

- Transportation Trust Fund – This fund, established in 1989, was created to receive the excess revenues on gasoline, motor fuels, and special fuels taxes. Purposes of the fund include highway construction and maintenance, statewide flood control, and ports and airports priority programs, among others. During fiscal year 2013, transfers out amounted to $1.4 billion and transfers in were $576 million.

NOTE 5: CAPITAL ASSETS

A. PRIMARY GOVERNMENT (in thousands)

Governmental Activities:	Capital Assets July 1, 2012	Additions	Deletions	Capital Assets June 30, 2013
Capital assets not being depreciated:				
Land	$ 2,179,942	$ 4,066	$ 2,128	$ 2,181,880
Construction in progress	*2,716,859	771,165	737,326	2,750,698
Total capital assets not being depreciated	*4,896,801	775,231	739,454	4,932,578
Other capital assets historical cost:				
Buildings and improvements	*2,370,444	35,595	40,190	2,365,849
Machinery and equipment	*803,675	39,018	51,268	791,425
Infrastructure	*23,003,878	701,074	64,619	23,640,333
Intangible assets	102,870	3,891	--	106,761
Total other capital assets historical cost	26,280,867	779,578	156,077	26,904,368
Less accumulated depreciation and amortization:				
Buildings and improvements	*739,374	56,713	7,169	788,918
Machinery and equipment	*647,837	62,183	51,268	658,752
Infrastructure	*14,984,187	448,844	64,619	15,368,412
Intangible assets	27,229	10,718	--	37,947
Total accumulated depreciation & amortization	16,398,627	578,458	123,056	16,854,029
Other capital assets, net of depreciation & amortization	9,882,240	201,120	33,021	10,050,339
Governmental activities capital assets, net	$ 14,779,041	$ 976,351	$ 772,475	$ 14,982,917
Business-type Activities:				
Capital assets not being depreciated:				
Land	$ *38,761	$ 2,480	$ 6	$ 41,235
Construction in progress	*81,031	48,052	84,233	44,850
Total capital assets not being depreciated	119,792	50,532	84,239	86,085
Other capital assets historical cost:				
Buildings and improvements	*430,706	75,360	9,774	496,292
Machinery and equipment	*141,069	9,662	8,546	142,185
Infrastructure	354,415	13,715	--	368,130
Intangible assets	*13,472	4,698	--	18,170
Total other capital assets historical cost	939,662	103,435	18,320	1,024,777
Less accumulated depreciation and amortization:				
Buildings and improvements	*158,028	12,711	2,209	168,530
Machinery and equipment	*102,242	10,227	5,500	106,969
Infrastructure	17,565	9,983	--	27,548
Intangible assets	*1,551	1,854	--	3,405
Total accumulated depreciation & amortization	279,386	34,775	7,709	306,452
Other capital assets, net of depreciation & amortization	660,276	68,660	10,611	718,325
Business-type activities capital assets, net	$ 780,068	$ 119,192	$ 94,850	$ 804,410

* Restated beginning balances

Depreciation and amortization expense was charged to functions as follows:

Governmental activities:	
General government	$ 63,502
Culture, recreation, and tourism	5,295
Transportation and development	461,628
Public safety	14,468
Health and welfare	6,756
Corrections	10,635
Youth Services	1,516
Conservation	8,155
Education	6,503
Total governmental activities depreciation and amortization expense	$ 578,458

B. COMPONENT UNITS (in thousands)

	Capital Assets July 1, 2012	Additions	Deletions	Capital Assets June 30, 2013
Capital assets not being depreciated:				
Land	$ *433,687	$ 12,696	$ 80,148	$ 366,235
Construction in progress	*755,509	510,953	285,664	980,798
Total capital assets not being depreciated	1,189,196	523,649	365,812	1,347,033
Other capital assets historical cost:				
Buildings and improvements	*5,924,440	353,991	41,414	6,237,017
Machinery and equipment	*1,829,331	77,623	80,166	1,826,788
Infrastructure	*648,992	8,287	--	657,279
Intangible assets	*53,730	1,151	10	54,871
Total other capital assets historical cost	8,456,493	441,052	121,590	8,775,955
Less accumulated depreciation and amortization:				
Buildings and improvements	*2,562,588	174,391	25,310	2,711,669
Machinery and equipment	*1,443,173	99,610	67,950	1,474,833
Infrastructure	*285,117	13,555	--	298,672
Intangible assets	*30,995	6,886	1	37,880
Total accumulated depreciation & amortization	4,321,873	294,442	93,261	4,523,054
Other capital assets, net of depreciation & amortization	4,134,620	146,610	28,329	4,252,901
Component units capital assets, net	$ 5,323,816	$ 670,259	$ 394,141	$ 5,599,934

* Restated Beginning Balances

C. IMPAIRMENT OF CAPITAL ASSETS

Impairment losses calculated for discrete entities include $387,062 for an impaired building within the University of Louisiana System. The impairment is due to a change in the expected duration of use. The building closed prior to the end of its useful life.

The Southern University System has assets impaired as a result of damage sustained from Hurricane Katrina in fiscal year 2006 that remain idle at the end of fiscal year 2013. The carrying value of these idle impaired assets is $1,239,159.

Insurance recoveries of $1,200,702 for discrete entities were paid during the year by the Office of Risk Management as property claims for damage from Hurricane Gustav. In addition the State recognized $221,448,503 in insurance recoveries from excess insurers related to Hurricane Katrina catastrophe losses. These amounts are reported as “Charges for Services” on the Statement of Activities.

NOTE 6: EMPLOYEE BENEFITS – PENSIONS

A. PUBLIC EMPLOYEE RETIREMENT SYSTEMS

The State of Louisiana is a participating employer in several defined benefit and defined contribution pension plans. These plans are administered by four public employee retirement systems: the Louisiana State Employees' Retirement System, the Louisiana State Police Retirement System, the Teachers' Retirement System of Louisiana, and the Louisiana School Employees' Retirement System. Article X, Section 29(F) of the Louisiana Constitution of 1974 assigns the authority to establish and amend benefit provisions of these plans to the State Legislature. Each retirement system issues a public report that includes financial statements and required supplementary information. Copies of these reports may be requested by contacting the retirement systems at the addresses listed in Note 1.

Plan Descriptions

Louisiana State Employees' Retirement System The Louisiana State Employees' Retirement System (LASERS) administers a defined benefit pension plan to provide retirement and survivor benefits to state officers, employees, and their beneficiaries. Although there are 355 contributing employers in this system, LASERS is considered a single employer defined benefit plan because the material portion of its activity is with one employer - the State of Louisiana.

LASERS also administers a defined contribution pension plan for certain eligible employees. Monthly employer and employee contributions are invested as directed by the employee to provide the employee with future retirement benefits. Participating employees contribute 7.5% of earned compensation if employed prior to July 1, 2006. Employees employed after July 1, 2006 contribute 8.0% of earned compensation. Employers are required to contribute to LASERS on behalf of each participating employee the same amount the employer would have contributed had the employee elected to participate in the defined benefit plan. Employer contribution rates for the year were 29.1% of which 7% was transferred to the annuity providers. For the fiscal year ended June 30, 2013 actual employee and employers contributions were $178,997 and $187,207, respectively.

Louisiana State Police Retirement System The Louisiana State Police Retirement System (LSPRS) administers a single employer defined benefit plan to provide retirement and survivor benefits to commissioned law enforcement officers of the Office of State Police and the Superintendent of State Police and their beneficiaries.

Teachers' Retirement System of Louisiana The Teachers' Retirement System of Louisiana (TRSL) is the administrator of a cost-sharing multiple employer plan. The plan provides pension benefits to employees who meet the legal definition of a "teacher" as provided for in LRS 11:701. TRSL also administers a defined contribution plan for certain eligible academic employees. Eligible members have the option of making an irrevocable election to participate in the defined contribution plan rather than the defined benefit plan. Employer and employee contributions are transferred to providers selected by the TRSL Board of Trustees to purchase annuity contracts for benefits payable at retirement. Participating employees contribute 7.95% of annual compensation to the plan. Employers are required to contribute to TRSL on behalf of each participating employee the same amount the employer would have contributed had the employee elected to participate in the defined benefit plan. Employer contribution rates for the year were 24.5% for K-12 employers and 24.4% for higher education employers of which 5.798% and 5.685%, respectively, was transferred to the annuity providers. For the fiscal year ended June 30, 2013 actual employee and employers contributions were $2,794,937 and $2,002,006, respectively.

Louisiana School Employees' Retirement System LSERS is the administrator of a cost-sharing multiple-employer, defined benefit pension plan. The plan provides retirement and survivor benefits to school employees who are not eligible to participate in TRSL.

The number of contributing employers for each defined benefit plan for the year ended at June 30, 2013 consisted of the following:

		Number of Employers
LASERS	State agencies	209
	Other public employers	146
	Total	355
LSPRS		1
TRSL	School Boards	69
	Colleges and Universities	28
	State agencies	58
	Charter schools	36
	Other	17
	Total	208
LSERS	School Boards	64
	Other agencies	38
	Total	102

Funding Policy

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee.

Employee and employer contributions effective for the year ended June 30, 2013 were as follows:

Defined Benefit Pension Plan	Active Member Contribution Percentage	Employer Contribution Percentage
LASERS	7.5% - 13.0%	29.4%
LSPRS	8.5% - 9.5%	76.2%
TRSL	5.0% - 9.1%	24.4% - 30.0%
LSERS	7.5% - 8.0%	32.3%

Actual contributions as a percentage of required contributions to cost-sharing plans for the years ending June 30, 2013, 2012, and 2011 were as follows:

Fiscal Year Ending	Required Contributions	Percentage Contributed
LSERS		
6/30/11	$ 88,620,630	82.3%
6/30/12	$ 92,137,088	89.7%
6/30/13	$ 91,531,548	99.9%
TRSL		
6/30/11	$ 1,086,319,774	90.2%
6/30/12	$ 1,127,265,199	100.0%
6/30/13	$ 1,149,134,132	99.0%

The State's annual pension cost, percentage of annual pension cost contributed, and the net pension obligation for its sole employer plans for the years ending June 30, 2013, 2012, and 2011 are as follows:

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
LASERS			
6/30/11	$672,329,839	86.3%	$122,644,938
6/30/12	$698,486,059	91.2%	$158,077,949
6/30/13	$730,519,840	92.3%	$214,106,330
LSPRS			
6/30/11	$40,921,425	93.3%	$(2,014,046)
6/30/12	$42,932,245	89.9%	$2,313,481
6/30/13	$43,439,116	101.8%	$1,545,157

The State's annual pension cost and net pension obligation for its sole employer defined benefit plans for the current year are as follows:

	LASERS	LSPRS
Annual required contribution	$ 752,809,646	$ 43,891,264
Interest on net pension obligation	12,646,237	173,511
Adjustment to annual required contribution	(34,936,043)	(625,659)
Annual pension cost	**730,519,840**	**43,439,116**
Contributions made	(674,491,458)	(44,207,440)
Increase (decrease) in net pension obligation	56,028,382	(768,324)
Net pension obligation beginning of year	158,077,949	2,313,481
Net pension obligation end of year	$ **214,106,331**	$ **1,545,157**

Funded Status and Funding Progress

Information on the funded status of the State's sole employer defined benefit plans is detailed below. The Schedule of Funding Progress provides trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Schedule of Funding Progress
(Expressed in Thousands)

LASERS	2013	2012	2011	2010	2009	2008
Actuarial Valuation Date	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08
Actuarial Value of Assets	$9,740,878	$9,026,416	$8,763,101	$8,512,403	$8,499,662	$9,167,170
Actuarial Accrued Liability	$16,182,195	$16,157,898	$15,221,055	$14,764,015	$13,986,847	$13,562,214
Unfunded AAL	$6,441,317	$7,131,482	$6,457,954	$6,251,612	$5,487,185	$4,395,044
Funded Ratio	60.2%	55.9%	57.6%	57.7%	60.8%	67.6%
Annual Covered Payroll	$1,951,988	$2,341,703	$2,408,840	$2,546,457	$2,562,576	$2,436,956
UAAL as a Percentage of Covered Payroll	330.0%	304.5%	268.1%	245.5%	214.1%	180.3%

LSPRS	2013	2012	2011	2010	2009	2008
Actuarial Valuation Date	6/30/13	6/30/12	6/30/11	6/30/10	6/30/09	6/30/08
Actuarial Value of Assets	$474,235	$415,966	$401,146	$391,669	$395,905	$438,075
Actuarial Accrued Liability	$797,839	$759,653	$740,257	$704,747	$678,307	$637,832
Unfunded AAL	$323,604	$343,687	$339,111	$313,078	$282,402	$199,757
Funded Ratio	59.4%	54.8%	54.2%	55.6%	58.4%	68.7%
Annual Covered Payroll	$51,262	$57,828	$58,592	$59,340	$59,556	$56,728
UAAL as a Percentage of Covered Payroll	631.3%	594.3%	578.8%	527.6%	474.2%	352.1%

Actuarial Methods and Assumptions

The following table provides information concerning actuarial methods and assumptions for the State's sole employer defined benefit plans as of the June 30, 2013 actuarial valuation date.

	LASERS	LSPRS
Actuarial Cost Method	Projected Unit Credit	Entry Age Normal
Amortization Method	Level Dollar	Level Dollar
Remaining Amortization Period (Open or Closed Period)	Up to 30 years Closed	30 years Closed

	LASERS	LSPRS
Asset Valuation Method	Smoothing of gains and losses relative to the assumed rate of return over a five year period	Smoothing of gains and losses relative to the assumed rate of return over a five year period
Actuarial Assumptions:		
Investment Rate of Return*	8%	7%
Projected Salary Increases	4.3 – 17%	4 – 16.5%
Cost of Living Adjustment	None**	None
* Includes inflation at:	3%	2.75%

** While there is no explicit assumption regarding the provision of cost-of-living adjustments, the rate used to discount accrued benefits is net of the statutory gain sharing provision (50% of investment gains in excess of $100 million) from which cost-of-living adjustment would be funded.

B. LOUISIANA LOTTERY CORPORATION RETIREMENT PLANS

The Louisiana Lottery Corporation provides for two defined contribution retirement plans for its employees. The plans' provisions and contribution requirements are established and amended by the Board of Directors of the Corporation.

1. Basic Retirement

The Basic Retirement Plan was established effective September 1, 1993, with all employees eligible except those who elect coverage under a State retirement plan and those who are either independent contractors or leased employees. Eligible employees may participate in the Plan immediately upon employment. Employer contributions for fiscal year 2013 were 5% of the participant's compensation. Employee contributions were 6.2% of their compensation. Participants are fully vested upon enrollment in the plan. Plan assets do not revert for the benefit of the employer. Benefit distributions commence as of the date designated by the participant (annuity starting date) after termination of employment, but not later than April 1st of the year following the calendar year in which the participant attains age seventy and one half. The participant must make a qualified election to receive the distribution in the form of a single-sum payment or in the form of a qualified joint and survivor annuity or single life annuity contract. As of June 30, 2013 there were 115 participants in the Basic Plan. Employee and employer contributions for fiscal year 2013 were $304,561 and $245,614, respectively.

2. Supplemental Retirement

Substantially all full-time employees are eligible to participate in the Supplemental Retirement Plan. An employee is eligible to participate in the plan immediately upon employment and is fully vested. The Louisiana Lottery Corporation contributed 4.5% of each participant's compensation for fiscal year 2013. Generally, participants are not permitted to contribute to the Plan; however, participants may contribute proceeds from a qualified rollover distribution as allowed by IRC Section 402. Each fiscal year, the board of directors of the Corporation may determine the amount of a discretionary contribution not to exceed 2% of each participant's compensation for any fiscal year. Effective July 1, 2013, the maximum potential discretionary rate increases to 4%. Plan assets do not revert for the benefit of the Corporation. The distribution of a participant's vested and non-forfeitable portion of his or her account is made in the form of a single-sum payment after the participant terminates employment with the Corporation, attains the normal retirement age or dies. As of June 30, 2013, there were 104 participants in the Supplemental Plan. Employer contributions for fiscal year 2013 were $312,144.

NOTE 6A: EMPLOYEE BENEFITS - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. STATE OF LOUISIANA POST-RETIREMENT BENEFIT PLAN

Plan Description

The Office of Group Benefits (OGB) administers the State of Louisiana Post-Retirement Benefit Plan – a defined-benefit, agent multiple-employer other post-employment benefit plan. The plan provides medical, prescription drug and life insurance benefits to retirees, disabled retirees, and their eligible beneficiaries through premium subsidies. Current employees, who participate in an OGB health plan while active, are eligible for plan benefits if they retire under one of the statewide retirement systems (LASERS, LSPRS, TRSL, or LSERS). Benefit provisions are established under LRS 42:821 for life insurance benefits and LRS 42:851 for health insurance benefits.

A summary of employers and members participating in the plan at June 30, 2013 is as follows:

	Number of Employers
States	1
School systems	43
Non-state agencies	92
State agencies	225
Total	361

	Plan Membership
Retirees and beneficiaries	53,201
Active plan members	77,199
Total	130,400

As of January 1, 2013, OGB offers to retirees three self-insured healthcare plans and one fully insured plan. Effective January 1, 2013, retired employees who have Medicare Part A and Part B coverage also have access to three fully insured Medicare Advantage plans, which include two HMO plans and one Zero-Premium HMO plan.

Employer contributions are based on plan premiums and the employer contribution percentage. This percentage is based on the date of participation in an OGB plan (before or after January 1, 2002) and employee years of service at retirement. Employees who begin participation or rejoin the plan before January 1, 2002 pay approximately 25% of the cost of coverage (except single retirees under age 65 who pay approximately 25% of the active employee cost). For those beginning participation or rejoining on or after January 1, 2002, the percentage of premiums contributed by the employer is based on the following schedule:

Service	Employer Contribution Percentage	Employee Contribution Percentage
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

In addition to healthcare benefits, retirees may elect to receive life insurance benefits. Basic and supplemental life insurance is available for the individual retiree and spouses of retirees subject to maximum values. Employers pay approximately 50% of monthly premiums. Beginning January 1, 2013 participating retirees paid $0.52 each month for each $1,000 of life insurance and $0.98 each month for each $1,000 of spouse life insurance.

The plan does not issue a stand-alone financial report.

Funding Policy

The plan is funded on a “pay-as-you-go basis” under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due. Effective, July 1, 2008, an OPEB trust fund was statutorily established; however, no plan assets had been accumulated as of June 30, 2013.

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at the end of the year for the OGB plan were as follows (dollar amounts in thousands):

	Primary Government	Component Units
Annual required contribution	$ 355,948	$ 140,023
Interest on OPEB obligation	90,737	39,306
Adjustment to annual required contribution	(86,680)	(37,684)
Annual OPEB cost (expense)	360,005	141,645
Contributions made	(185,064)	(67,910)
Increase in net OPEB obligation	174,941	73,735
Net OPEB obligation beginning of year, as restated	2,268,439	977,405
End of year	$ 2,443,380	$ 1,051,140

The following table provides the State's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three fiscal years:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Primary Gov't:			
6/30/2011	$475,086	32.18%	* $2,083,033
6/30/2012	$348,468	50.19%	* $2,268,439
6/30/2013	$360,005	51.41%	$2,443,380
Component Units:			
6/30/2011	$233,468	30.46%	*$883,947
6/30/2012	$175,238	44.29%	* $977,405
6/30/2013	$141,645	47.94%	$1,051,140

*Restated

Funded Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the funded status of the plan was as follows:

Primary Government:	
Actuarial accrued liability (AAL)	$5,381,518,200
Actuarial value of plan assets	0
Unfunded actuarial accrued liability (UAAL)	$5,381,518,200
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (annual payroll of active employees covered by the plan)	$1,663,055,800
UAAL as a percentage of covered payroll	324%

Component Units:	
Actuarial accrued liability (AAL)	$2,021,971,900
Actuarial value of plan assets	0
Unfunded actuarial accrued liability (UAAL)	$2,021,971,900
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (annual payroll of active employees covered by the plan)	$1,299,654,700
UAAL as a percentage of covered payroll	155%

Actuarial Methods and Assumptions

Actuarial valuations of the State's plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress presented as required supplementary information following the notes to the financial statements presents information that shows whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

The ARC for the year was determined as part of the July 1, 2012 actuarial valuation using the following methods and assumptions:

Actuarial cost method	Projected unit credit
Investment return	4% (net of administrative expenses), based on expected long-term investment returns on employer's own investments
Healthcare inflation rate	8% and 6% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rate of 4.5%
UAAL amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Projected salary increases	3%

Costs used in the determination of the actuarial accrued liability for the self-insured plans were developed from reported incurred medical and prescription drug claims experience and administrative costs during the period from July 1, 2012 through December 31, 2012 less retiree premiums. Costs for the fully insured plans were developed from the employer share of monthly premiums without adjustment for age.

B. LSU HEALTH PLAN

Plan Description

The Louisiana State University System (LSU System), a discretely presented component unit of the State, offers its eligible employees, retirees, and their beneficiaries the opportunity to participate in one of two OPEB plans affording healthcare and life insurance. One offering is the State of Louisiana Post-Retirement Benefit Plan, which has already been discussed in this note, and the other is the LSU Health Plan (the Plan). The Plan is also offered to members of the State House of Representatives and the State Senate, its officers and staff, and the Legislative Budgetary Control Council which are primary government entities. Therefore, some participants of the Plan are currently employees of the primary government. Since participation in the Plan by primary government employees is limited and not material, the plan is identified as a single-employer defined benefit healthcare plan.

Benefit provisions are established or may be amended under the authority of LRS 42:851.

The percentage of health insurance premiums contributed by the employer is based on the date of participation in an OGB plan (before or after January 1, 2002) and the employee years of service at retirement. Employees who begin participation or rejoin the plan before January 1, 2002 pay approximately 25% of the cost of coverage (except single retirees under age 65 who pay approximately 25% of the active employee cost). For those beginning participation or rejoining on or after January 1, 2002, the percentage of premiums contributed by the employer are based on the following schedule:

Service	Employer Contribution Percentage	Employee Contribution Percentage
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

Employer contribution amounts will vary depending on the percentage contributed by the employer and the health plan option (Option 1 or Option 2) selected by the retiree.

The Plan does not issue a stand-alone financial report.

Funding Policy

The plan is financed on a "pay-as-you-go basis" under which the contributions to the plan are generally made at about the same time and in about the same amount as benefit payments become due. The pay-as-you-go expense is the net expected cost of providing retiree benefits. This expense includes all expected claims and related expenses and is offset by retiree contributions.

Annual OPEB Cost and Net OPEB Obligation

The annual required contribution (ARC) represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation at the end of the year were as follows (dollar amounts in thousands):

	Primary Government	Component Units
Annual required contribution	$ 5,760	$ 81,794
Interest on OPEB obligation	366	10,568
Adjustment to annual required contribution	(309)	(8,945)
Annual OPEB costs (expense)	5,817	83,417
Contributions made	(709)	(17,319)
Increase in net OPEB obligation	5,108	66,098
Net OPEB obligation beginning of year	8,588	249,217
Net OPEB obligation end of year	$ 13,696	$ 315,315

The following table provides the State's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three fiscal years:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
Primary Government:			
6/30/2011	$2,253	24.55%	$6,421
6/30/2012	$2,717	20.24%	$8,588
6/30/2013	$5,817	12.19%	$13,696
Component Units:			
6/30/2011	$67,784	20.23%	$188,893
6/30/2012	$76,116	20.75%	$249,217
6/30/2013	$83,417	20.76%	$315,315

Funded Status and Funding Progress

As of July 1, 2012, the most recent actuarial valuation date, the funded status of the plan was as follows:

Primary Government:	
Actuarial accrued liability (AAL)	$ 64,761,300
Actuarial value of plan assets	0
Unfunded actuarial accrued liability (UAAL)	$ 64,761,300
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (annual payroll of active employees covered by the plan)	$ 26,622,000
UAAL as a percentage of covered payroll	243%
Component Units:	
Actuarial accrued liability (AAL)	$ 1,074,926,300
Actuarial value of plan assets	0
Unfunded actuarial accrued liability (UAAL)	$ 1,074,926,300
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (annual payroll of active employees covered by the plan)	$ 573,370,800
UAAL as a percentage of covered payroll	187%

Actuarial Methods and Assumptions

Actuarial valuations of the LSU Health Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarial determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress presented as required supplementary information following the notes to the financial statements presents information that shows whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

The ARC for the year was determined as part of the July 1, 2012 actuarial valuation using the following methods and assumptions:

Actuarial cost method	Projected unit credit
Investment return	4.25% (net of administrative expenses), based on long-term investment returns on employer's own investments
Healthcare inflation rate	8.5%, ultimate rate of 5%
UAAL amortization method	Level percentage of payroll, open
Remaining amortization period	30 years
Projected salary increases	4%

C. OTHER PLANS

Three discretely presented component units of the State have their own postemployment benefits plan and provided actuarial valuation results to the State. The net OPEB obligations at June 30, 2013 for each of the three plans were Greater New Orleans Expressway Commission $3,919, Louisiana Citizens Property Insurance Corporation $1,586, and Tensas Basin Levee Board $548 (dollar amounts in thousands). These plans are not disclosed in detail in the CAFR but are available in the agencies' separate financial statements. For the addresses of the agencies, see Note 1.

NOTE 6B: EMPLOYEE BENEFITS - TERMINATION BENEFITS

A. Background

Termination benefits are provided by the State for purposes other than salary and wages, such as cash payments for severance benefits or an employee's continued access to healthcare. The termination benefits are provided as settlement for:

1) involuntary terminations initiated by management in accordance with an authorized plan that contains specific criteria for identifying affected employees (for example, a reduction in force plan) or
2) voluntary terminations initiated by employees in response to an early retirement incentive plan offered by the state in exchange for an employee's continued employment.

B. Description of Termination Benefits

In fiscal year 2013 some state agencies adopted lay off avoidance plans to provide a mechanism to manage budget deficits while delaying or avoiding layoffs. These layoff avoidance plans included early retirement incentives, which resulted in the payment of termination benefits. The retirement incentives consisted of up to 50% of the employees' annual salary that would be saved in a fiscal or calendar year calculated on the employees' actual salary for the year without the need for future discounting. Each layoff avoidance plan was approved by the Department of Civil Service in accordance with Civil Service Rules 17.2 and 17.9. The incentives were offered to employees who were eligible for regular retirement in accordance with the employees' applicable state retirement system regulations. Employees who were eligible for early retirement were excluded.

C. Termination Benefits Reported

During the year ended June 30, 2013, there were 196 primary government and 12 discrete component unit terminations that met the termination criteria described above. The Primary Government's governmental and government-wide statements both include $4,955,818 of expenditures/expenses and no related liabilities. Component Unit statements report $406,023 of expenses and no current year liabilities.

NOTE 7: LEASES

A. LEASE AGREEMENTS

The State of Louisiana has entered into numerous operating and capital lease agreements for equipment, land, and buildings. Most leases contain non-appropriation exculpatory clauses that allow lease cancellation if the Louisiana Legislature does not make an appropriation for its continuation during any future fiscal period. Because legislative appropriation is reasonably assured, all leases contracted by the state are included in the schedules below.

B. OPERATING LEASES

Operating lease payments are recorded as expenditures or expenses of the applicable fund when the related liability is incurred and primary government and component units totaled (expressed in thousands) $76,617 and $33,229, respectively, for the fiscal year ended June 30, 2013. Commitments of the primary government under operating lease agreements for equipment, land, and buildings provide for future annual rental payments as follows (expressed in thousands):

Fiscal Year	Office Space	Equipment	Land	Other	Total
2014	$ 45,699	$ 3,555	$ 314	$ 5,553	$ 55,121
2015	22,908	1,159	160	4,439	28,666
2016	18,762	1,087	107	4,093	24,049
2017	13,149	1,044	77	3,900	18,170
2018	9,138	1,047	35	3,654	13,874
2019-2023	6,370	4,750	144	312	11,576
2024-2028	2,023	4,958	58	55	7,094
Total	$ 118,049	$ 17,600	$ 895	$ 22,006	$ 158,550

Operating leases for component units are as follows (expressed in thousands):
Office space - $66,659; Equipment - $3,140; Land - $2,029; and Other - $66,056 for a total of $137,884.

C. CAPITAL LEASES AND INSTALLMENT PURCHASE AGREEMENTS

Capital lease obligations are payable from resources of the governmental and proprietary funds. The following is a schedule of future minimum payments remaining under contracts in existence at June 30, 2013 (expressed in thousands):

Fiscal Year	Governmental Activities	Business-Type Activities	Component Units
2014	$ 264	$ 205	$ 7,310
2015	256	287	7,482
2016	--	283	6,590
2017	--	288	5,860
2018	--	287	5,824
2019-2023	--	1,413	20,951
2024-2028	--	1,402	--
2029-2033	--	559	--
2034-2038	--	--	--
2039-2043	--	--	--
Subtotal	520	4,724	54,017
Less interest and executory costs	46	1,304	6,152
Present value of minimum lease payments	$ 474	$ 3,420	$ 47,865

The gross amount of the leased assets at June 30, 2013 (expressed in thousands) for governmental activities is $2,270 for office space, and $482 for equipment; business-type activities is $4,395 for office space; and component units is $6,115 for office space, and $76,104 for equipment.

Total capital leases by asset classes include the following (expressed in thousands):

	Governmental Activities	Business-Type Activities	Component Units
Buildings	$ 466	$ --	$ --
Office Space	--	4,724	4,968
Equipment	54	--	49,049
Land	--	--	--
Other	--	--	--
Total Capital Leases	$ 520	$ 4,724	$ 54,017

D. LESSOR LEASES

Various property and facilities are leased to outside parties as leases from port authorities, levee districts, universities, and various other entities. The current amount of lease revenues (expressed in thousands) is $1,662 for the primary government, $3,927 for business-type activities, and $10,393 for component units for the fiscal year ending June 30, 2013.

The value of the property carried on the financial reports for the entities included below (expressed in thousands) is $10,207 for land, $302,821 for buildings, $168,182 for equipment, and $162 for other purposes. Accumulated depreciation on the buildings and equipment totaled $380,501.

OPERATING LEASES

The following is a schedule by years of minimum future rentals on operating leases as of June 30, 2013 (expressed in thousands):

Fiscal Year	Governmental Activities	Business-Type Activities	Component Units
2014	$ 1,852	$ 2,787	$ 79,864
2015	366	2,229	77,672
2016	214	2,193	76,475
2017	2	2,094	45,384
2018	2	1,286	57,676
2019-2023	11	1,250	135,595
2024-2028	11	--	20,728
2029-2033	11	--	13,404
2034-2038	--	--	13,399
2039-2043	--	--	9,393
Total	$ 2,469	$ 11,839	$ 529,590

The contingent rental revenue received from the lessor operating leases above as of June 30, 2013 (expressed in thousands) is $3,666 for office rentals, $7 for equipment rentals, $172 for land, and $1,552 for other rentals totaling $5,397.

NOTE 8: LONG-TERM OBLIGATIONS

A. DEBT AUTHORIZATION AND LIMITATIONS

The Louisiana Constitution of 1974 provides that the State shall have no power, directly or indirectly, through any board, agency, commission, or otherwise, to incur debt or issue bonds except by law enacted by two-thirds of the elected members of each house of the Legislature. LRS 39:1365(25) limits the legislative authorization of general obligation bonds and other general obligations secured by the full faith and credit of the State by prohibiting total authorized bonds from exceeding an amount equal to two times the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years prior to such authorization. The bond authorization limitation is $23,292,744,000. The total general obligation bonds authorized are $2,524,325,000 at June 30, 2013, or 10.84% of the bond authorization limit.

LRS 39:1402(D) limits issuance by the Louisiana State Bond Commission of general obligation bonds or other general obligations secured by the full faith and credit of the State. The highest annual debt service requirement for the current or any subsequent fiscal years for general obligation debt, including the debt service on any bonds or other obligations that are proposed to be sold by the Louisiana State Bond Commission, may not exceed 10% of the average annual revenues of the Bond Security and Redemption Fund for the last three fiscal years completed prior to the issuance being proposed. The general obligation debt issuance limitation is $1,164,637,000. At June 30, 2013, the highest current or future annual general obligation debt service requirement is $316,019,000, which represents 27.13% of the debt issuance limitation.

LRS 39:1367, enacted pursuant to a constitutional amendment, provides that the State Bond Commission establish annually a limit on the net State tax-supported debt issued subject to certain percentages established in the statutes and based on General Fund and dedicated funds revenues forecast by the Revenue Estimating Conference. The maximum amount of net State tax-supported debt allowed by statute for fiscal year 2012-2013 is 6.00% of estimated General Fund and dedicated funds revenues established by the Revenue Estimating Conference, which was $591,162,000. During the fiscal year 2012-2013, the total net State tax-supported debt paid was $566,762,000 or 5.75% of the estimated General Fund and dedicated funds' revenues established by the Revenue Estimating Conference.

B. AUTHORIZED BUT UNISSUED DEBT

The Omnibus Bond Authorization Act of 2013 provides for the repeal of all acts authorizing the issuance of general obligation bonds, except for any act authorizing issuance of refunding bonds and Act 41 of the 2006 First Extraordinary Session. Act 41 authorized the sale of bonds to provide relief to political subdivisions of the state affected by natural catastrophes. The Omnibus Bond Authorization Act requires the legislature to annually repeal the issuance of general obligation bond authorizations for projects that are no longer found feasible or desirable; to reauthorize general obligation bonds for projects deemed to be essential, and to authorize new projects. As a result, there were no authorized but unissued general obligation bonds outstanding at June 30, 2013.

C. PURPOSE AND RETIREMENT OF GENERAL OBLIGATION BONDS

General obligation bonds are authorized and issued primarily to provide funds for constructing and improving various facilities including ports, university facilities, public schools, parks, bridges, roads, and charity hospitals. General obligation bonds are backed by the full faith, credit, and taxing power of the State.

In order to facilitate the funding of capital improvements by certain governmental units and political subdivisions of the State, general obligation bonds proceeds may be provided to various entities contingent upon executing a reimbursement contract with the State Bond Commission. The entity repays or reimburses the State at the same interest rate and the same maturity dates as the bond issue. Entities utilize reimbursement contracts to attempt to obtain a better interest rate.

Reimbursement contracts include colleges and universities in the amount of $35,000 and miscellaneous contracts in the amount of $47,949. Applicable interest to maturity is $983 and $6,087, respectively. In the accompanying financial statements, reimbursement contracts are shown as accounts receivable and the debt shown is not reduced for these items.

In order to provide for the economic development and other public purposes, the State will, with the approval of the State Bond Commission, execute cooperative endeavor agreements that provide State funds to cover debt service on behalf of various local governmental, not-for-profit and for-profit issuers. The underlying bonds are revenue bonds secured by grant funds received from the State pursuant to these agreements. These cooperative endeavor agreements provide that the Executive Budget will provide grant funds for annual debt service requirements; however, these grants are subject to the final appropriation by the Legislature. These bonds are not general obligations of the State and are not recorded in the accompanying financial statements. Outstanding principal and annual debt service, however, are included in the debt limitations in Section A.

D. LONG-TERM OBLIGATIONS OUTSTANDING AT JUNE 30, 2013

Long-term obligations outstanding at June 30, 2013, principal only, are as follows (expressed in thousands):

Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
GOVERNMENTAL ACTIVITIES:						
General obligation bonds Payable	$ 2,761,800	$ 457,855	$ 358,995	$ 2,860,660	$ 220,000	0.24-5.625%
Other bonds payable by Agency:						
Crescent City Connection	2,325	--	2,325	--	--	--
Health Education Authority of Louisiana	6,940	--	200	6,740	210	5.70 –8.30%
Louisiana Correctional Facilities Corporation	16,750	--	1,780	14,970	1,860	4.00 –5.00%
Department of Corrections*	30,318	--	468	29,850	1,881	4.62-4.87%
Office Facilities Corporation	203,135	--	18,855	184,280	19,705	2.50 -5.25%
Public Safety LPFA	49,510	--	5,070	44,440	5,330	5.00 –5.88%
LPFA Office Facilities Corp.	252,685	--	11,690	240,995	12,185	3.20 –6.50%
Tobacco Settlement Financing	823,100	--	84,800	738,300	44,600	5.50 –5.875%
State Highway Improvement	--	85,400	--	85.400	1,950	2.00 - 5.00%
Transportation Infrastructure Model for Economic Development	2,725,190	476,125	490,560	2,710,755	15,885	Variable
Total other bonds payable*	4,109,953	561,525	615,748	4,055,730	103,606	
Add/Subtract unamortized amounts: Discounts	(14,963)	--	(777)	(14,186)	(736)	
Premiums	435,085	58,825	39,911	453,999	37,708	
Refunding costs	(158,919)	(94,135)	(16,999)	(236,055)	(16,819)	
Net Unamortized Amounts	261,203	(35,310)	22,135	203,758	20,153	
Total bonded debt*	7,132,956	984,070	996,878	7,120,148	343,759	
Other liabilities:						
Compensated absences	201,972	68,728	84,717	185,983	27,416	
Capital lease obligations	1,341	--	867	474	264	
Claims and litigation payable	1,931,244	453,792	474,015	1,911,021	291,075	
Notes payable	435	161	243	353	183	
OPEB payable	2,138,672	343,182	173,974	2,307,880	--	
Pollution remediation liabilities	80,034	46,884	60,393	66,525	47,197	
Other long-term obligations*	146,073	92,255	16,914	221,414	15,216	
Total other liabilities*	4,499,771	1,005,002	811,123	4,693,650	381,351	
Total long-term obligations Governmental Activities*	$ 11,632,727	$ 1,989,072	$ 1,808,001	$ 11,813,798	$ 725,110	

***restated**

Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
BUSINESS-TYPE ACTIVITIES:						
Bonds payable:						
Revenue bonds*	$ 598,728	$ 57,940	$ 82,247	$ 574,421	$ 19,530	1.95–5.50%
Deferred discounts and premiums*	(28,095)	4,587	(1,854)	(21,654)	(51)	
Total Bonds payable*	570,633	62,527	80,393	552,767	19,479	
Other liabilities:						
Compensated absences*	20,023	5,271	4,852	20,442	2,116	

Long-Term Obligations	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year	Interest Rates
Capital lease obligations*	3,600	--	180	3,420	80	
Notes payable	2,167	--	248	1,919	119	
Contracts payable*	187	--	68	119	68	
OPEB payable*	138,355	22,640	11,799	149,196	--	
Other long-term liabilities*	5,842	5	2,286	3,561	3,556	
Total other liabilities*	170,174	27,916	19,433	178,657	5,939	
Total long-term obligations*						
Business-Type Activities	$ 740,807	$ 90,443	$ 99,826	$ 731,424	$ 25,418	
***restated**						
COMPONENT UNITS:						
Bonds payable:						
Revenue bonds*	$ 4,024,142	$ 677,335	$ 754,570	$ 3,946,907	$ 245,839	Variable
Deferred costs and premiums*	(7,231)	18,300	(22,272)	33,341	4,815	
Total bonds payable*	4,016,911	695,635	732,298	3,980,248	250,654	
Other liabilities:						
Compensated absences*	200,719	17,120	29,295	188,544	44,503	
Capital lease obligations*	57,649	915	10,699	47,865	5,871	
Contracts payable*	4,689	8,188	1,395	11,482	11,482	
Notes payable*	147,191	863	9,440	138,614	18,078	
Claims and litigation payable*	211,302	2,785	73,337	140,750	109,208	
OPEB payable*	1,231,710	226,258	85,461	1,372,507	--	
Pollution remediation liabilities	200	50	188	62	12	
Other long-term liabilities*	104,891	372,047	38,500	438,438	9,517	
Total other liabilities*	1,958,351	628,226	248,315	2,338,262	198,671	
Total long-term obligations*						
Component units	$ 5,975,262	$ 1,323,861	$ 980,613	$ 6,318,510	$ 449,325	
***restated**						

E. DEBT SERVICE REQUIREMENTS AT JUNE 30, 2013

Annual principal and interest payments for bonds and notes (expressed in thousands) are as follows. Interest requirements for variable-rate debt are calculated using the rate in effect at the financial statement date.

	Governmental Activities									
	General Obligation Bonds			Other Bonded Debt				Totals		
Year:	Principal	Interest	Total	Principal	Interest	Net Effect of Derivatives	Total	Total Principal	Total Interest Cost	Total
2014	$ 220,000	$ 121,347	$ 341,347	$ 103,606	$ 181,683	$ 11,194	$ 296,483	$ 323,606	$ 314,224	$ 637,830
2015	204,115	114,364	318,479	62,073	184,271	11,194	257,538	266,188	309,829	576,017
2016	196,285	104,748	301,033	66,654	181,574	11,194	259,422	262,939	297,516	560,455
2017	206,155	95,105	301,260	71,692	178,296	11,194	261,182	277,847	284,595	562,442
2018	194,675	86,652	281,327	76,631	175,074	11,194	262,899	271,306	272,920	544,226
2019-23	936,550	308,806	1,245,356	384,455	818,972	55,970	1,259,397	1,321,005	1,183,748	2,504,753
2024–28	630,080	121,294	751,374	424,630	722,973	55,924	1,203,527	1,054,710	900,191	1,954,901
2029–33	272,800	25,415	298,215	486,419	615,076	54,839	1,156,334	759,219	695,330	1,454,549
2034–38	--	--	--	661,913	488,933	51,829	1,202,675	661,913	540,762	1,202,675
2039–43	--	--	--	1,619,098	147,105	49,482	1,815,685	1,619,098	196,587	1,815,685
2044-48	--	--	--	98,559	4,817	2,573	105,949	98,559	7,390	105,949
Costs	207,608	--	207,608	(3,850)	--	--	(3,850)	203,758	--	203,758
Total	$ 3,068,268	$ 977,731	$ 4,045,999	$ 4,051,880	$ 3,698,774	$ 326,587	$ 8,077,241	$ 7,120,148	$ 5,003,092	$ 12,123,240

Year:	Business-Type Activities Revenue Bonds Principal	Interest	Total	Component Units Revenue Bonds Principal	Interest	Total
2014	19,530	$ 20,887	$ 40,417	$ 245,839	$ 153,002	$ 398,841
2015	19,185	20,346	39,531	258,657	162,665	421,322
2016	22,615	19,367	41,982	273,513	151,745	425,258
2017	25,560	18,688	44,248	285,338	140,349	425,687
2018	27,175	17,921	45,096	296,832	126,937	423,769
2019-23	123,695	79,802	203,497	991,738	474,130	1,465,868
2024–28	180,600	50,019	230,619	691,715	279,469	971,184
2029–33	93,904	21,791	115,695	414,210	156,983	571,193
2034–38	36,904	9,296	46,200	363,183	89,827	453,010
2039–43	25,253	2,265	27,518	125,882	28,439	154,321
2044-48	--	--	--	--	--	--
Costs	(21,654)	--	(21,654)	33,341	--	33,341
Total	$ 552,767	$ 260,382	$ 813,149	$ 3,980,248	$ 1,763,546	$ 5,743,794

Year:	Governmental Activities Notes Payable Principal	Interest	Total	Business-Type Activities Notes Payable Principal	Interest	Total	Component Units Notes Payable Principal	Interest	Total
2014	$ 183	$ 1	$ 184	$ 119	$ 105	$ 224	$ 18,078	$ 8,062	$ 26,140
2015	86	1	87	126	99	225	11,857	3,386	15,243
2016	32	1	33	938	69	1,007	6,977	2,981	9,958
2017	33	--	33	55	34	89	9,131	2,664	11,795
2018	19	--	19	58	32	90	5,756	2,473	8,229
2019-23	--	--	--	336	113	449	29,620	6,730	36,350
2024–28	--	--	--	287	25	312	33,569	5,242	38,811
2029–33	--	--	--	--	--	--	15,934	1,273	17,207
2034–38	--	--	--	--	--	--	7,692	173	7,865
2039–43	--	--	--	--	--	--	--	--	--
2044-48	--	--	--	--	--	--	--	--	--
Total	$ 353	$ 3	$ 356	$ 1,919	$ 477	$ 2,396	$ 138,614	$ 32,984	$ 171,598

F. DEFEASED BONDS

The following table details the principal balances of previously outstanding bonds considered defeased at June 30, 2013 (expressed in thousands). The defeased bonds are not included in the accompanying financial statements.

Bond Series	Date Defeased	Maturity Date	Amount Defeased	Outstanding at June 30, 2013
Primary Government:				
General Obligation:				
2004-A	1/05	10/14	$ 45,240	$ 45,240
2004-A	10/10	10/14	91,075	91,075
2004-A	6/12	10/14	176,085	176,085
2006-C	6/12	05/16	270,020	270,020
2006-B	6/12	07/16	120,215	120,215
TIMED:				
2005-A	5/12	05/15	511,210	511,210
2006-A	5/12	05/16	76,560	76,560
Component Units:				
GNOEC: 1986	11/92	11/16	$ 54,920	$ 18,320

G. REFUNDING OF BONDS

General Obligation Refunding Bonds

On May 30, 2013, the State issued $157,855,000 of General Obligation Refunding Bonds, Series 2013-C, with coupon interest rates ranging from 1.75% to 5.0%, to current refund the outstanding balance of $168,770,000 in General Obligation Bonds Series 2011-B, bearing a coupon interest rate of 5.103%. Refunding proceeds of $187,828,569 included bond proceeds at the par amount of $157,855,000 and a premium of $29,973,569. In addition to current refunding the outstanding balance of the General Obligation Bonds Series 2011-B, the bond proceeds were used to pay $145,569 in accrued interest and $18,913,000 in interest rate swap termination payments. The State completed the refunding to reduce total gross debt service payments through June 30, 2027 by $18,618,007 and to obtain an economic gain of $15,718,268.

Gasoline and Fuels Tax Revenue Refunding Bonds

On May 1, 2013, the State issued $173,000,000 of Gasoline and Fuels Tax Revenue Refunding Bonds Series 2013 A, with a coupon interest rate of 5.0%, to current refund a portion of the outstanding balance of the Gasoline and Fuels Tax Revenue Bonds Series 2006 A. The sole purpose of the refunding was to extend the optional redemption date applicable to certain Series 2006 A bonds. In consideration for this modification, the State received a one-time cash payment of $12,000,000. Total proceeds of $185,000,000 were used to refund $173,005,000 in outstanding principal on the Gasoline and Fuels Tax Revenue Bonds Series 2006 A; pay $146,050 in issuance costs; and establish with the remaining $11,848,950 a subaccount with the refunding trustee to pay future interest on the Gasoline and Fuels Tax Revenue Refunding Bonds Series 2013 A.

On May 22, 2013, the State issued $303,125,000 of Gasoline and Fuels Tax Revenue Refunding Bonds Series 2013 B-1 and B-2, with variable interest rates, to current refund the outstanding balance of $200,000,000 in Gasoline and Fuels Tax Revenue Bonds Series 2009 A-1 and $103,125,000 in Gasoline and Fuels Tax Revenue Bonds Series 2010 A. The State completed the refunding to reduce the State's total gross debt service payments over the next 30 years by $23,278,566 and to obtain an economic gain of $19,995,004.

H. CONDUIT DEBT

Revenue bonds were issued by the Louisiana Agricultural Finance Authority (LAFA), a proprietary entity, which constituted conduit debt outstanding at year-end totaling $86,043,393 which is currently in default. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

Revenue bonds were issued by the Louisiana Public Facilities Authority (LPFA), a component unit, which constituted conduit debt outstanding at year-end totaling $5,452,841,710. The authority and the State have no responsibility for the repayment of this debt, and it is not reflected in the accompanying financial statements.

The Louisiana Housing Corporation has single and multifamily mortgage revenue bonds outstanding of $683,000,000 which are not included in the accompanying financial statements. The obligations of the bond programs are not obligations of the State, and the State is not liable for such obligations. The ability of the programs to meet the debt service requirements on bonds issued to finance mortgage loans is dependent on the ability of the mortgagers in such programs to generate sufficient funds to meet their respective mortgage repayments.

I. OTHER GENERAL LONG-TERM OBLIGATIONS

The liability for compensated absences is described in detail in Note 1, Section C; the liability for capital leases is described in more detail in Note 7, Section C; the liability for claims and litigation is described in more detail in Note 9, Section B; the liability for OPEB is described in more detail in Note 6A; and the liability for pollution remediation is described in more detail in Note 9, Section F.

J. PLEDGED REVENUES

Governmental Activities

Vehicular License Taxes

The Mississippi River Bridge Authority issued its bridge revenue refunding bonds in 2002 for the Crescent City Connection Project in the amount of $19,900,000 to refund the outstanding 1992 bonds and fund the costs of issuance. The bonds are secured by a pledge of State Highway Fund No. 2 monies to cover the principal and interest requirements until the bonds are fully paid in November 2012. These monies are comprised of annual vehicular license taxes collected in six parishes. Revenues in the State Highway Fund No. 2 for the year were $11,858,000 of which $1,923,000 along with other resources were used to pay the remaining principal and interest of $2,325,000 and $51,856, respectively.

Motor Vehicle Registration and License Fees

In March 2013, the State issued State Highway Improvement Revenue Bonds Series 2013A maturing in 2033 in the amount of $85,400,000 for the purpose of providing funds to finance the costs of construction of certain roads which are part of the state highway system but not part of the federal highway system. The bonds are secured by and payable from annual motor vehicles registration and license fees or taxes for the registration and licensing of all vehicles and motor vehicles which are

collected by the Department of Public Safety then deposited into the State Highway Improvement Fund. Total motor vehicle registration and license fees available in fiscal year 2013 were $18,972,860. The total principal and interest remaining on the bonds is $85,400,000 and $52,199,145, respectively. No principal or interest was paid during the fiscal year ended June, 30, 2013.

Contract Parking Agreement – Tulane University

Health Education Authority of Louisiana (HEAL) is a body corporate created to operate a multi-institutional facility that included public and private institutions dedicated to health related services (the Medical Complex). HEAL issued taxable revenue bonds of $9,350,000 in December 1998 to finance the acquisition, construction and installation of an additional 516 parking spaces to an existing multilevel parking garage and build a skywalk to another facility. The garage was for Tulane Medical Center employees and students, visitors to the Medical Complex and the public. The bonds are payable solely from the income and revenues derived by the Authority from the parking garage, including payments received from Tulane University pursuant to a contract parking agreement and lease agreement through 2031. The Authority has agreed to pay the principal and interest requirements as they become due and payable until the bonds are fully paid in 2031. The principal and interest paid for the current year was $200,000 and $447,750. The total principal and interest remaining on the bonds is $6,740,000 and $4,872,275, respectively.

Office of Motor Vehicle Handling Fees

In October 2007 the Louisiana Public Facilities Authority (LPFA) issued $62,895,000 of revenue refunding bonds on behalf of the Department of Public Safety and Corrections to advance refund the 1999 and 2001 outstanding revenue bonds. The refunded bonds were issued to acquire, construct, and equip a new Department of Public Safety Services complex and a new Joint Emergency Services Training Center complex. The refunding bonds are secured by an irrevocable pledge and dedication of the handling fees collected by the Office of Motor Vehicles through August 2021. The Department collected $13,807,491 during fiscal year ended June 30, 2013. The total principal and interest remaining on the bonds is $43,815,000 and $9,289,375. The principal and interest paid for the current year was $4,480,000 and $2,302,750, respectively.

Fire Insurance Premium Taxes and Fire Extinguisher Fees

LPFA issued revenue bonds of $5,255,000 in 2002 for the Department of Public Safety and Corrections, an agency of the State, to provide funds to relocate, plan, acquire, construct, and equip the Department of Public Safety Fire Marshal's Headquarters. The Department agrees to make all bond-related payments due subject to annual appropriation by the Legislature from the Louisiana Fire Marshal Fund. In addition, the appropriated funds may be utilized first to satisfy payroll obligations prior to making the debt service payments. Failure by the Legislature to appropriate sufficient funds to satisfy the obligation of the Department under the funding agreement will not constitute an event of default, and the funding agreement will continue in full force and effect as if the appropriation had been made. The bonds are payable through 2014. Louisiana Fire Marshal Fund revenues are comprised of an annual tax levied on the gross annual premium receipts from any business that insures property in Louisiana against loss or damage by fire and any monies collected from the imposition of fees on sprinkler systems. In fiscal year ended June 30, 2013, the legislature appropriated $13,430,991 to the Department from the Fire Marshal Fund. Total principal and interest remaining on the bonds is $625,000 and $36,719, respectively. The principal and interest paid for the current year was $590,000 and $71,381.

Tobacco Settlement Revenues

The Tobacco Settlement Financing Corporation, a blended component unit, issued $1,202,770,000 of tobacco settlement asset-backed bonds in fiscal year 2001. The revenue bonds were issued to provide up-front cash for a portion of the State's allocation of tobacco settlement revenues (TSRs) to be received in perpetuity from participating cigarette manufacturers (PMs) pursuant to the Master Settlement Agreement (MSA). The pledged TSRs consist of 60% of all amounts required to be paid to the State after the issuance of the bonds. The Corporation received pledged revenues of $129,612,495 for fiscal year 2013. The principal and interest paid for the current year was $84,800,000 and $47,855,769. The bonds, payable through 2039, have total principal and interest outstanding of $783,300,000 and $1,098,782,963, respectively.

Gasoline and Motor Fuels Taxes and Special Fuels Taxes

The State has pledged gasoline and fuel taxes to service debt on outstanding gas and fuels tax revenue bonds. As of June 30, 2013, the outstanding maturities extend to 2045. Bond proceeds are to be used for financing the construction of highway and bridge projects. Revenues available in fiscal year 2013 for funding debt service due were $583,025,371. Principal and interest paid for the current year were $14,430,000 and $110,614,372, respectively. The total principal and interest remaining on the bonds is $2,710,755,000 and $2,706,059,414, respectively.

Business-Type Activities

Syrup Mill and Slot Machine Revenues

Louisiana Agricultural Finance Authority issued revenue bonds in 2004 in the amount of $45,000,000 to acquire, construct and equip a syrup mill and other facilities related to the use of sugar cane in Lacassine, Louisiana. The

bonds are secured by the pledge of net revenues from the operation of the mill and the avails of net slot machine proceeds as described in Louisiana Revised Statute 27:392(B)(4). The statute provides $12 million annually to the Authority to fund or secure revenue bonds for agricultural, agronomic, horticultural, etc. and other economic development programs. The Authority is obligated to cover the principal and interest requirements each year until the bonds are fully paid and discharged in 2015. Principal and interest paid for the current year was $7,155,000 and $432,238, respectively. The total principal and interest remaining on the bonds is $9,010,000 and $235,047, respectively.

Fertilizer, Feed, and Pesticide Fees

Louisiana Agricultural Finance Authority issued revenue bonds in 2006 in the amount of $9,608,438 to refund series 1998 bonds and acquire, construct and install facilities for the Department of Agriculture pursuant to a lease agreement. The bonds are secured and payable solely from and by a pledge of income and revenues from the sale of fertilizers, commercial feed and pesticides and are payable through 2013. The Department has committed to pay amounts sufficient to cover the principal and interest on the bonds for the duration of the debt. Total fertilizer, feed, and pesticide fees for the current fiscal year are $7,214,236. The principal and interest paid for the current year was $1,921,688 and $25,203, respectively. There is no remaining principal and interest since the bonds were paid out during FY 2013.

Lease Agreement

Louisiana Agricultural Finance Authority issued revenue bonds of $37,000,000 in 2007 to (i) renovate an office building, (ii) purchase new trucks, bulldozers, and other equipment for firefighting and other agricultural purposes, (iii) acquire, construct, and equip buildings and related facilities, and (iv) acquire emergency generators for the Department of Agriculture and Forestry. In December 2012, the authority issued refunding bonds Series 2012 (maturing in 2022) in the amount of $6,705,000 for the purpose of refunding a portion of 2007. The bonds are secured solely from income and revenues, and receipts derived or to be derived from payments made or collections obtained in a lease agreement and are payable through 2027. The lease requires the Department to pay from legally available funds, subject to annual appropriation by the Louisiana Legislature, all the amounts necessary to pay the annual debt service and administrative expenses. The interest paid for the current year was $3,254,700. The total principal and interest remaining on the bonds is $37,705,000 and $5,949,105, respectively.

Highway 1 Tolls

Louisiana Transportation Authority, a public corporation within the Department of Transportation and Development (DOTD), issued toll revenue bonds of $195,800,000 in 2005 to finance a highway project in the lower portion of Lafourche Parish. In August 2009, LTA issued Series 2005 TIFIA Bonds to refinance the Series 2005 Subordinate Lien BANS in the amount of $66,000,000. These bonds are payable solely from a second lien on the pledge of toll revenues. The project will create elevated highways that run parallel to Highway 1, with a bridge over Bayou Lafourche. The bonds are secured by a pledge of toll revenues on the southbound lane of the new highway from Leeville to Port Fourchon and are payable through 2040. The Authority has committed the toll revenues to cover the principal and interest requirements until the bonds are fully paid and discharged. Toll revenues collected in fiscal year 2013 totaled $3,445,834. The interest paid for the current year was $5,530,323, with no principal payment due. The total principal and interest remaining on the bonds is $205,641,460 and $119,702,467, respectively.

Component Units

Bridge Toll and Vehicular License Taxes

Greater New Orleans Expressway Commission (GNOEC) issued improvement bonds in 1999 and issued revenue bonds refunding the 1992 series bonds in 2003. In 2009, GNOEC issued revenue bonds refunding the 1999A series bonds. The total bonds issued of $62,505,000 were used to finance safety and capacity improvements for the Causeway Bridge and its approach roads. The bonds are payable solely from a pledge of tolls and other revenues derived from the ownership or operation of the Expressway, as supplemented by funds dedicated from the collection of vehicular license taxes in the State Highway Fund No. 2. The Commission has committed the tolls and vehicular license taxes to cover the principal and interest requirements until the bonds are fully paid and discharged in 2034. In fiscal year ended October 31, 2012, the Commission recognized revenue of $22,383,441 from tolls and State Highway Fund No. 2 taxes. The principal and interest paid for the fiscal year was $2,265,000 and $2,570,850. Total principal and interest remaining on the bonds at October 31, 2012, is $51,055,000 and $29,779,834, respectively.

Hotel Occupancy Tax

Louisiana Stadium and Exposition District issued revenue refunding bonds for $294,325,000 in 2006 to refund prior debt, to pay operational expenses of the District, and to finance the cost of the new construction projects in or around New Orleans, such as the betterments at the Superdome, the baseball stadium, the basketball facility, the football training facility, and the multipurpose facility. In 2013, the District issued refunding bonds in the amount of $361,345,000 to refund the refunding issue of 2006. The bonds are secured by a pledge of all revenues of the District that are not previously dedicated for another use; however, the hotel occupancy tax revenues in the parishes of Orleans and Jefferson are expected to be the primary source of funding. The District has committed all revenues,

especially the hotel occupancy tax, to cover principal and interest requirements until the bonds are fully paid and discharged in 2040. Pledged revenues for fiscal year ended June 30, 2013, totaled $100,258,346. Interest paid for the current year was $4,091,654, with no principal payment due. Total principal and interest remaining on the bonds is $361,345,000 and $262,279,699, respectively.

Commodities and Utilities

Sabine River Authority issued refunding bonds for $5,765,000 in 2003 to refund Series 1999 bonds. The Authority issued 2003 taxable revenue bonds for $2,825,000 to replace two hydroelectric generating units at Toledo Bend and to pay a portion of the cost of redeeming outstanding Series 1964 general obligation bonds. In 2008, the Authority issued refunding bonds in the amount of $1,620,000 for the 2003 taxable revenue bonds. The bonds are secured by a pledge of (i) the net compensation, revenues, and receipts derived from all commodities sold and rendered by Sabine River Authority (except for revenues derived from the sale of water from the Sabine River Diversion Canal); (ii) all net revenues derived or to be derived from leases or operating agreements; and (iii) all net revenues derived from the sale of electric power and energy. The Authority has dedicated an amount sufficient for the payment of the bonds to cover the principal and interest requirements as they become due and payable until the bonds are fully paid and discharged in 2014. Revenues available for debt service coverage during the current fiscal year were approximately $4,042,479. The principal and interest paid for the current year was $945,000 and $81,772, respectively. The total principal and interest remaining on the bonds is $990,000 and $33,743, respectively.

Water System Revenues - Industrial Customers

Sabine River Authority issued $10,000,000 in revenue bonds in 2011 to finance (i) certain repairs and improvements to the Sabine River Diversion System and of equipment utilized in connection therewith, (ii) fund a reserve fund, if necessary, and (iii) pay costs incurred with respect to the issuance of the Bonds, including the payment of a premium for a bond insurance policy, if any. The bonds are secured by the Authority from contracts with Authority's industrial customers served by Sabine River Diversion System for the sale of water from the System and, as additional security for the bonds, from net revenues as a subordinate pledge, as stated in Commodities and Utilities section. The Authority has dedicated an amount sufficient for the payment of the bonds to cover the principal and interest requirements as they become due and payable until the bonds are fully paid and discharged in 2022. Revenues available for the debt service coverage during the current fiscal year were approximately $4,000,000. The principal and interest paid for the current year was $870,690 and $290,766, respectively. The total principal and interest remaining on the bonds is $9,129,310 and $1,304,242, respectively.

NOTE 9: CONTINGENCIES

A. CLAIMS AND LIABILITIES HANDLED BY THE OFFICE OF RISK MANAGEMENT

Pursuant to Act 448 of the 1988 Regular Session of the Louisiana Legislature, LRS 39:1533 was re-enacted to reactivate the "Self-Insurance Fund" within the Department of the Treasury. The Self-Insurance Fund consists of all premiums paid by State agencies under the State's risk management program, the investment earnings thereon, and commissions retained. The Self-Insurance Fund may only be used for the payment of losses incurred by state agencies under the self-insurance program together with insurance premiums, legal expenses, and administrative costs. The Self-Insurance Fund is reported in the General Fund. The Office of Risk Management (ORM) is responsible for the State's risk management program and that office now has the duty to negotiate, compromise, and settle all claims, including all tort claims against the State or State agencies covered by the Self-Insurance Fund, and all tort claims against the State or State agencies not covered by the Self-Insurance Fund when funding is provided by the legislature.

For fiscal year 2012-2013, the Self-Insurance Fund paid $159,553,777 to satisfy claims and judgments. At June 30, 2013, outstanding non-discounted reserve valuations of the open claims within the programs totaled $971,357,218. At June 30, 2013, ORM cash balances included $65,786,836 in the Self-Insurance Fund. ORM advises that the non-discounted liability reserve valuation for the claims in litigation against state agencies being handled by that office is valued at $234,629,054 at June 30, 2013.

B. CLAIMS AND LIABILITIES HANDLED OUTSIDE OF THE OFFICE OF RISK MANAGEMENT

The estimated probable future liability including incremental costs resulting from litigation, contract claims, and judgments against the State that are not being handled by the Office of Risk Management, not including contract claims reported by the Department of Transportation and Development ("DOTD"), is approximately $310,011,631 (accrued in the accompanying financial statements). In addition, as of June 30, 2013, there are claims against the State, not including contract claims reported by DOTD, totaling $16,431,796 for which it is reasonably possible that the State will incur liability. Nonincremental claims adjustment expenses have not been included as part of the liability for claims and judgments.

In September of 1993, the Louisiana Supreme Court invalidated, on constitutional grounds, LRS 13:5106,

limiting the State's liability for general damages to a maximum of $500,000. In January of 1994, following the same reasoning, the Supreme Court invalidated LRS 13:5112(C), limiting the State's liability for pre-judgment interest to 6%. Subsequently, the voters approved a constitutional amendment curing the defect found by the Supreme Court in the two cases. This amendment, along with the re-enactment of the two cited statutes, as well as several other statutes intended to protect the State in tort claims, became effective in November of 1995. The State's efforts to have the amendment and the legislation made applicable to then pending claims to limit recovery in accordance with the statutes were unsuccessful. Consequently, any case pending in September of 1993 will have no upper limit on general damages, any case pending in January of 1994 will not be subject to 6% interest pre-judgment, and any claim arising as late as November 24, 1995, will not be limited by either statute. The financial impact of this court-imposed hiatus has been significant but is declining as cases are resolved. The State's Medical Malpractice Statute (LRS 40:1299.39) was not impacted by the Supreme Court's decision vis a vis LRS 13:5106.

In February of 2004, the Louisiana Supreme Court held that the parents who brought a wrongful death action against the State of Louisiana were each entitled to the statutory cap of $500,000 for wrongful death actions. Previously, it was the belief that the limit was $500,000 per death victim. This could impose an adverse impact upon the State's liability for tort compensation. Act No. 1 of the 2005 Regular Legislative Session was enacted in response to the Louisiana Supreme Court's erroneous interpretation of the statutory cap found under LRS 13:5106 in Lockett v. the State of Louisiana, Department of Transportation and Development, 2003 – 1767 (La 2/25/04), 869 So.2d 87. The provisions of Act No. 1 are intended to explain the original intent of the legislature, notwithstanding the contrary interpretation by the Louisiana Supreme Court in Lockett, but shall be applied prospectively only from its effective date of May 27, 2005.

Act 3 of the First Extraordinary Session of the Legislature of 1996 amended Article 2323 of the Louisiana Civil Code to require trial quantification of the degree of liability of known non-parties, unknown persons not made a party, and statutorily immune parties such as the employer of a plaintiff suing a third party tortfeasor. The same act also amended Article 2324 of the Civil Code to provide that a negligent defendant would pay compensation calculated solely on the degree of his liability under comparative fault, regardless of the ability of co-defendants to pay their respective shares. The Louisiana Supreme Court declared that the provisions of Act 3 were remedial in nature and, therefore, retroactive in application to pending cases. This ruling will result in some reduction of the ultimate liability of the State in pending and future cases.

In June of 2001, the Louisiana Supreme Court, in the Pope decision, held that the administrative remedy procedure for inmates in the custody of the Department of Corrections was unconstitutional. Under the procedure, inmate complaints that reached the state court system did so as judicial review of agency decisions. Many of those complaints will now be lawsuits rather than administrative matters. The financial impact of this decision has been significant, both in the expense of defending these cases and in the potential judgments, but has declined as cases were resolved.

In the First Extraordinary Session of 2002, the Legislature passed Act 89 to address the impact of the Supreme Court's inmate administrative remedy decision. The legislation was signed into law on April 19, 2002, and affects suits filed thereafter. The Act may significantly limit litigation costs and the tort exposure of the State in inmate claims going forward from enactment; however, it does not significantly limit the hundreds of suits filed before enactment. Again, the expense of defense and potential judgments is declining as cases are resolved. The Louisiana Supreme Court has held in Cheron v. LCS Corrections Services that exhaustion of inmate claims is not required during the time period from the Pope decision, in June of 2001, until the passage of Act 89 in April of 2002. The Constitutionality of Act 89 was upheld in the 1st and 2nd Circuit Courts of Appeal.

From the beginning of fiscal year 2002-2003 to the present, the State's self-insurance fund has not been available as a source of funds to settle tort claims involving road defect allegations nor to pay final judgments in such matters. As a result, settlements and judgments in such road hazard tort claims have been and will continue to be funded and paid only through individual legislative appropriation. Since fiscal year 2002 the sum appropriated for such matters totaled approximately $210,158,594. Of that amount, $24,105,028 was appropriated in fiscal year 2012-2013.

While not included in the dollar values set forth above, it should be noted that suits have been filed challenging the constitutionality of various provisions of state law, including the seizure of property, environmental cleanup, election laws and the Voting Rights Act, the closure of state facilities, retirement and employment provisions, insurance claims, education, the indigent defender system, the possession of firearms, marriage, and liability for termination of pregnancy. While these cases do not seek recovery for damages, rulings adverse to the state could result in liability for the plaintiffs' attorneys' fees.

Teacher positions in Orleans Parish were eliminated after Hurricane Katrina due to a reduction in school enrollment and budget cuts. A class action lawsuit, *Eddy Oliver, et.*

*al. v. O*rleans *P*arish *S*chool *B*oard*, et. al.* was filed by the teachers in Orleans Parish. The teachers claim that they were wrongfully terminated. On June 20, 2012, a judgment was rendered in favor of seven named plaintiffs in the amount of $1,362,632 (accrued in the accompanying financial statements). The judgment also included a finding of liability in favor of the entire class, which includes approximately 7,500 members. No damages have been awarded to the other, non-named, class members, nor has a claims process been established. The amount due to the remaining class members cannot be reasonably estimated at this time. The case is currently on appeal before the Louisiana Fourth Circuit Court of Appeals and will proceed to the Louisiana Supreme Court. The appellate process was not complete prior to the end of fiscal year 2012-13; it is not expected to be completed until the Fall of 2013 or possibly early 2014. If so, and in the event plaintiffs prevail, they will seek relief from the Louisiana Supreme Court where there will be more briefing and argument and this may take months or a year to issue a ruling. If the plaintiffs prevail there, it will then be a lengthy claims process. However, if the State entities are successful in having the judgment reversed in whole or in part on appeal, there may be no liability.

As of June 30, 2013, the Department of Transportation and Development (DOTD) advises that there are 739 expropriation cases pending with a total estimated exposure of $77,342,107. As payment of its estimate of just compensation upon filing of these suits, DOTD deposited $40,385,136 into the registry of the court. A reasonable possibility exists that DOTD will incur expropriation-related costs of $36,956,971 in excess of the just compensation on deposit with the courts. As of June 30, 2013, there were 39 outstanding inverse condemnation suits with an estimated demand of $11,296,820. DOTD has determined that it is reasonably possible that the actual settlements will total approximately $10,155,826. Expropriation suits filed by levee boards and other expropriating entities, other than DOTD, have not been included in the above liability of pending expropriation suits, because the State does not appropriate amounts for other expropriating entities. Estimated exposure amounts for contract and miscellaneous suits may require additional appropriations from the State. DOTD's estimate of the exposure of this amount is $800,000.

As of June 30, 2013, the State is not aware of any pending suits concerning the ability of the State to issue bonds or other evidences of indebtedness.

The Department of Revenue (DOR) has advised that the total amount of pending litigation affecting the DOR's right to tax, where there is a probable likelihood that an asset has been impaired or a liability has been incurred as of fiscal year ended June 30, 2013, is $48,322,628 (accrued in the accompanying financial statements). The DOR has also advised that the total dollar amount of pending litigation affecting the DOR's right to tax, where it is reasonably possible that an asset has been impaired or a liability has been incurred as of fiscal year ended June 30, 2013, is $185,559,793. These estimates include a large number of refund claims that were filed as a result of the enactment of Act 6 of the First Extraordinary Session of the Louisiana Legislature of 2001. This legislation amended LRS 47:1621 and expanded the conditions under which the DOR is now authorized to make tax refunds.

The Injured Worker Reemployment Program encourages employers to hire physically handicapped employees who have a permanent partial disability, by reimbursing the employer or, if insured, his or her insurance carrier for part of the workers' compensation costs for on-the-job injuries. The estimated total future payments to be made for claims outstanding at June 30, 2013, were $218,649,928, which is included in the accompanying financial statements. Funds to make these payments will come from an annual assessment made against all insurance companies writing workers' compensation insurance in the State and all employers that are self-insured.

Discrete Component Units

The future liability for disallowed costs, existing claims, and contracts against the discrete component units of the State is approximately $140,750,000, which is accrued in the accompanying financial statements. Also, as of June 30, 2013, there are existing claims and contracts totaling $25,292,472 against discrete component units of the State where there is a reasonable possibility that the entities will incur liability. These probable and reasonably possible liabilities include claims and contract cases against Louisiana Citizens Property Insurance Corporation - $113,797,000; Pontchartrain Levee District - $25,125,000; Southeast Louisiana Flood Protection Authority–East - $21,183,000; Greater New Orleans Expressway Commission - $1,744,000; Southern University System - $1,233,000; North Lafourche Conservation, Levee, and Drainage District - $1,170,000; Louisiana Housing Corporation - $1,000,000; Greater Baton Rouge Port Commission - $400,000; Fifth Louisiana Levee District - $255,000; and other component units - $135,972.

C. DISALLOWANCES

A significant amount of federal grant dollars is received by the State subject to financial and compliance audits mandated by the grantors. Questioned costs resulting from these audits may be disallowed by the Federal grantor and may become a liability of the State. Liabilities from disallowances and settlement agreements with the federal government are estimated to be $191,203,658 (accrued in the accompanying financial statements). In addition, as of

June 30, 2013, there are disallowed costs of $8,947,979 for which it is reasonably possible that the State will incur liability.

D. LIABILITIES AS A RESULT OF ADMINISTRATIVE RESPONSIBILITY

The State is the recipient of food commodities from the U.S. Department of Agriculture and is responsible for distribution to the entities that will ultimately distribute the food. The value of donated commodities in state storage at June 30, 2013, is $1,318,354. At this time, the State anticipates no material losses because of this federal program.

Through the Medicaid and Medicare programs, the Department of Health and Hospitals (DHH) sent $57,871,667 in vaccines to the state to be used to vaccinate impoverished children. At year end the value of vaccines in inventory was $1,495,838.

E. UNDERGROUND STORAGE TANKS

The 559 Underground Storage Tanks (UST) sites are remediated under The Resource Conservation and Recovery Act (RCRA) Subtitle I and may be eligible for funding through the state's Motor Fuels Underground Storage Tank Trust Fund or the U.S. EPA's Leaking Underground Storage Tank (LUST) Trust Fund. The Underground Storage Tank Trust Fund is established by statute to collect fees from underground storage tank owners; fund assets are then used to finance remediation and/or removal of leaking storage tanks.

Louisiana spent $11,563,234 assessing and remediating USTs in fiscal year ending June 30, 2013. The ending liability of $70,000,856 will be funded by the Motor Fuels Underground Storage Tank Trust Fund.

F. POLLUTION REMEDIATION OBLIGATIONS

Louisiana is involved in various types of pollution and contamination remediation activities across the state. These activities include site assessments, site investigations, clean-up activities, and post-remediation monitoring. Remediation costs are usually funded by the Capital Outlay Escrow Fund through the Office of Facility Planning and Control or through the Department of Environmental Quality, which may obtain federal grants and state General Fund appropriations for such projects.

The current value of a remediation obligation liability is based on assumptions or expectations about future events that affect the measurement of the liability under the expected cash flow technique. However, the expectations are subject to change over time due to changes in technology, changes in applicable federal, state, and local laws or regulations, price increases or decreases, or changes in the remediation plan. In addition, the state seeks insurance recovery or the identification of potentially responsible parties to recover remediation costs. These recoveries may reduce costs of remediation when the recovery becomes recognizable or probable. Under specific circumstances, costs of remediation may be capitalized as part of a capital asset.

From May 10, 2010, until November 1, 2013, Louisiana has spent $26,637,186 for Natural Resources Damage Assessment (NRDA) projects and received reimbursement of $20,947,318. During that same time period, the State spent $46,771,760 on Pollution Remediation Funding Authorization (PRFA) projects and received $30,937,726 in reimbursements. The state anticipates that it will ultimately be reimbursed for the unreimbursed amounts. Expenditures for projects not related to the Deepwater Horizon event totaled $4,327,141 for fiscal year 2012-13 and recovery of $57,396 was received from responsible parties. At June 30, 2013, the State had a pollution remediation obligation of $66,526,334 which includes the ending liability for the BP oil spill discussed below.

On April 20, 2010, the British Petroleum Exploration Inc. (BP) experienced a fire and explosion on their leased Oil Rig in the Gulf of Mexico which was being operated by Transocean Ltd. at the time of the incident. This explosion resulted in an unprecedented spill of oil into the Gulf of Mexico along the Louisiana coast. The State responded to protect its environment by adopting a series of measures that included assessment of the damage, environmental impact, immediate clean up and remediation of the polluted environment, estimation of long term impact on its people and the environment, the cost of the clean up, and determination of the expected recovery from BP. The State's remediation activities have included use of various technologies as well as building of coastal sand berms for removal of the oil spill. At June 30 2013, the state spent $71,843,058 on remediation activities and received reimbursements for those expenditures. The liability for future remediation of the pollution and the expected recovery cannot be reasonably estimated at this time. Although the full impact of the spill cannot be reasonably estimated, BP has taken responsibility for the cleanup of the spill, and the restoration of the State's environment.

G. COOPERATIVE ENDEAVORS

R.S. 33:9022 defines "cooperative endeavor" as any form of economic development assistance between and among the State, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The State has entered into cooperative endeavor agreements with certain entities aimed at developing the economy of the State. The estimated amounts outstanding for governmental units as of June 30, 2013, which are not reflected on the accompanying financial reports, are as follows:

General funds	$	1,062,050,322
Self-generated funds		234,346,817
Statutorily dedicated funds		351,687,008
General obligation bonds		513,075,897
Federal funds		1,732,724,985
Interagency transfers		7,684,303
Other funds		631,034,132
Total	$	4,532,603,464

H. ENCUMBRANCES

The State of Louisiana utilizes encumbrance accounting to identify fund obligations. The following encumbrances are included within the restricted, committed and assigned fund balances of the governmental funds for the fiscal year ended June 30, 2013 (in thousands):

		Amount
General Fund	$	150,158
Nonmajor Governmental Funds		0
Total encumbrances	$	150,158

NOTE 10: FUND BALANCE/NET POSITION DISCLOSURES

A. CLASSIFICATION OF FUND BALANCES

Classifications of fund balances comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The following table enumerates the fund balance classifications (expressed in thousands).

	General Fund	Capital Outlay Escrow Fund	Louisiana Education Quality Trust Fund	Nonmajor Funds	Total Governmental Funds
Fund Balances					
Nonspendable:					
Inventory	$ 73,780	$ -	$ -	$ -	$ 73,780
Permanent Fund principal	-	-	1,121,304	1,390,421	2,511,725
Restricted for:					
Administration and Regulatory Oversight	126	-	-	-	126
Budget Stabilization	443,869	-	-	-	443,869
Capital Projects	92,026	11,080	-	442,565	545,671
Culture, Recreation, and Tourism Programs	642	-	-	1,972	2,614
Debt Service	6,882	-	-	213,574	220,456
Transportation and Development Programs	34,183	-	-	-	34,183
Public Safety Programs	1,225	-	-	-	1,225
Health and Welfare Programs	124,593	-	-	12,325	136,918
Youth Programs	1,081	-	-	-	1,081
Conservation and Environment Programs:					
Coastal Protection and Restoration	294,513	-	-	-	294,513
Oilfield Site Restoration	13,899	-	-	-	13,899
Wildlife & Fisheries Conservation	96,597	-	-	10,069	106,666
Other Conservation and Environment Programs	1,910	-	-	-	1,910
Education Programs:					
Minimum Foundation Program	98,114	-	-	-	98,114
Other Education Programs	61,022	-	65,650	47,277	173,949
Committed for:					
General Government:					
Administration and Regulatory Oversight	8,336	-	-	-	8,336
Judicial Branch	2,655	-	-	-	2,655
Legislative Branch	3	-	-	-	3
Grants to Local Governments	27,229	-	-	-	27,229
Group Benefits	393,765	-	-	-	393,765
Risk Management	20,037				20,037
Economic Development Programs	111,130	-	-	-	111,130
Agriculture and Forestry Programs:					
Forestry Productivity	4,974	-	-	-	4,974
Grain and Cotton Indemnity Program	2,010	-	-	-	2,010
Other Agriculture and Forestry Programs	3,695	-	-	-	3,695
Capital Projects	63,641	292,490	-	-	356,131
Interoperability Communications	1,039	-	-	-	1,039
Labor and Workforce Programs:					
Workers' Compensation Administration	4,185	-	-	-	4,185
Workers' Compensation Second Injury Program	40,559	-	-	-	40,559
Incumbent Worker Training Program	-	-	-	26,242	26,242
Employment Security Administration	-	-	-	12,066	12,066
Other Labor and Workforce Programs	-	-	-	9,147	9,147
Telecommunication Tax Credits	30,398	-	-	-	30,398

	General Fund	Capital Outlay Escrow Fund	Louisiana Education Quality Trust Fund	Nonmajor Funds	Total Governmental Funds
Fund Balances					
Committed for:					
Culture, Recreation, and Tourism Programs:					
State Park Improvements	3,374	-	-	-	3,374
Other Culture, Recreation, and Tourism Programs	2,717	-	-	2,979	5,696
Transportation and Development	27,103	-	-	-	27,103
Public Safety Programs:					
Motor Carrier Safety and Administration	5,173	-	-	-	5,173
Crime Victims' Reparation	1,801	-	-	-	1,801
Other Public Safety Programs	94,908	-	-	-	94,908
Health and Welfare Programs:					
State Medicaid Matching	452,182	-	-	-	452,182
Fraud Detection Programs	13,797	-	-	-	13,797
Telecommunications for the Deaf	2,194	-	-	-	2,194
Disability Affairs	158	-	-	-	158
Drug Abuse Education & Treatment	281	-	-	-	281
Other Health and Welfare Programs	11,674	-	-	-	11,674
Elections and Voter Awareness	1,569	-	-	-	1,569
Employer Pension Contributions	1,348	-	-	-	1,348
Conservation and Environment Programs:					
Administrative	1,468	-	-	-	1,468
Artificial Reef Development	21,110	-	-	-	21,110
Coastal Protection and Restoration	2,459	-	-	-	2,459
Environmental Quality Programs	13,234	-	-	-	13,234
Hazardous Waste Site Cleanup	6,000	-	-	-	6,000
Motor Fuels Underground Storage Tank Program	68,482	-	-	-	68,482
Wildlife & Fisheries Conservation	109,534	-	-	-	109,534
Natural Resource Restoration	21,402	-	-	-	21,402
Community Water Enrichment	777	-	-	-	777
Other Conservation and Environment Programs	3,298	-	-	-	3,298
Education Programs:					
Earnings Enhancements on College Savings	14,602	-	-	-	14,602
Public Educator Salary Increases	5,589	-	-	-	5,589
Other Education Programs	8,199	-	-	-	8,199
Assigned for:					
General Government					
Administration and Regulatory Oversight	81,517	-	-	-	81,517
Judicial Branch	50,428	-	-	-	50,428
Legislative Branch	64,393	-	-	-	64,393
Capital Projects	3,621	-	-	-	3,621
Culture, Recreation, and Tourism Programs	125	-	-	-	125
Transportation and Development Programs	1,923	-	-	-	1,923
Public Safety Programs	4,453	-	-	-	4,453
Health and Welfare Programs	7,771	-	-	-	7,771
Corrections	5,965	-	-	-	5,965
Youth Programs	65	-	-	-	65
Education Programs	4,411	-	-	-	4,411
Unassigned	36,529	-	-	-	36,529
Total Fund Balance	$ 3,213,752	$ 303,570	$ 1,186,954	$ 2,168,637	$ 6,872,913

B. NET POSITION RESTATEMENT – GOVERNMENT-WIDE FINANCIAL STATEMENTS

The following table discloses restatements of net position for governmental activities in the government-wide financial statements (expressed in thousands):

	Governmental Activities
Net Position at June 30, 2012	$ 12,132,690
Prior Period Adjustments	29,096
Beginning Net Position, as restated	$ 12,161,786

Beginning net position for governmental activities increased by $29,096 in fiscal year 2013 for various reasons. The largest changes in beginning net position are changes related to capital assets and include capitalization policy changes, timing differences, inventory discrepancies, and new accounting systems.

C. FUND BALANCE/NET POSITION RESTATEMENT – FUND FINANCIAL STATEMENTS

The following table discloses restatements of certain fund balances/net position by fund type (expressed in thousands):

	General Fund	Major/Nonmajor Governmental Funds	Major/Nonmajor Enterprise Funds	Component Units
Fund Balances/Net Position at June 30, 2012	$ 3,637,209	$ 3,907,465	$ 2,081,669	$ 3,564,420
Reclassification of Fund Types	(28,139)	--	151,421	294,109
Prior period adjustments	60,701	46,596	6,684	(2,832)
Beginning Fund Balances/Net Position as Restated	$ 3,669,771	$ 3,954,061	$ 2,239,774	$ 3,855,697

D. ENTITY RECLASSIFICATIONS

(expressed in thousands)

The beginning fund balance of the General Fund decreased by $28,139 when the Foundation for Excellence in Louisiana Public Broadcasting was reclassified to a discrete component unit. The reclassification of the Foundation for Excellence in Louisiana Public Broadcasting also resulted in an increase in beginning net position of $28,139 for the component units.

The implementation of GASB Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and GASB Statement No 34* required several entity reclassifications. Because the primary government is expected to pay substantially all of the debt of the Louisiana Technical and Community Colleges System and the Louisiana Agricultural Finance Authority, these entities are now blended component units reported as enterprise funds. As a result, beginning net position for enterprise funds increased by $151,421 and beginning net position for discretely presented component units decreased by $151,421. The implementation of GASB Statement No. 61 also resulted in the inclusion of the Ernest N. Morial Exhibition Hall Authority as a discretely presented component unit. The inclusion of the Ernest N. Morial Exhibition Hall Authority resulted in an increase in beginning net position of $436,112. In addition, several discretely presented component units were reclassified to related organizations and are no longer reported in the CAFR, including the Kenner Naval Museum Commission, the Louisiana Naval War Memorial Commission, the White Lake Preservation, Inc and various other boards, commissions and levee districts.

E. PRIOR PERIOD ADJUSTMENTS

(expressed in thousands)

The beginning fund balance of the General Fund increased by $60,701. The increase was due to prior period adjustments relating to primary government Escrow Fund cash balances, interfund borrowings between the General Fund and the Louisiana Agricultural Finance Authority, Department of Corrections Qualified Energy Conservation Bonds, and for various other prior period adjustments.

The major/non major governmental funds' beginning fund balance increased by $46,596 when the Transportation Infrastructure Model for Economic Development recorded off-system investment activity and for various other prior period adjustments. The increase in beginning net position of $6,684 for enterprise funds was due to various prior period adjustments. The beginning net position for component units decreased by $2,832 due to prior period adjustments for the Louisiana State University System, the University of Louisiana System, and the Louisiana Economic Development Corporation.

F. BUDGET STABILIZATION

(expressed in thousands)

Louisiana voters first approved a constitutional amendment in 1990 to formally set aside funds for use when the state's Revenue Estimating Conference (REC) forecasts revenue shortfalls for the subsequent fiscal year or projects a budgetary deficit in the current fiscal year. The funds set aside are deposited into the Budget Stabilization Fund, as authorized by Louisiana Constitution Article VII, Section 10.3 and Louisiana LRS. 39.94. The fund's activity is accounted for within the General Fund and has a restricted fund balance of $443,869 at June 30, 2013, in the accompanying financial statements.

Budget Stabilization is funded by the following sources in accordance with the Constitution: (1) all money available for appropriation from the state general fund and dedicated funds in excess of the expenditure limit; (2) all mineral revenues in excess of $850 million received by the state in each fiscal year; (3) 25% of any money designated in the official forecast as nonrecurring; (4) legislative appropriations to the fund, including any appropriation to the fund from money designated in the official forecast; and (5) the fund's investment earnings realized in each fiscal year. No appropriation or deposit to the fund can be made if the appropriation or deposit would cause the fund cash balance to exceed 4% of total state revenue receipts for the previous fiscal year.

Budget stabilization resources are only available for expenditure under the following circumstances and with the consent of two-thirds of the elected members of each house of the legislature: (1) when the official forecast of recurring money for the next fiscal year is less than the official forecast of recurring money for the current fiscal year, the difference (not to exceed one-third of the fund) can be incorporated into the next year's official forecast or (2) when a deficit for the current fiscal year is projected due to a decrease in the official forecast, an amount equal to one-third of the fund (not to exceed the projected deficit) may be appropriated (expended). However, the Constitution states that the amount of budget stabilization funds included in the official forecast for the next fiscal year plus the amount appropriated in the current fiscal year cannot exceed one-third of the stabilization fund balance at the beginning of the current fiscal year.

NOTE 11: OTHER DISCLOSURES

A. PRIVATIZATION OF PUBLIC HOSPITALS

Act 3 of the 1997 Regular Session charged the LSU System with the responsibility of operating 10 public hospitals. These hospitals are the primary source of health care services for the indigent population of the State and account for over one million in-patient and out-patient visits each year. In addition, these hospitals are utilized by the LSU Health Sciences Centers as teaching hospitals wherein the medical and dental faculty and medical education students provide the necessary medical care to patients. As of the end of the fiscal year, public-private partnerships had been executed to remove operational responsibility for 9 of these hospitals from the LSU System. The transition to public-private partnerships was precipitated by reductions by Congress to the state disaster-recovery Federal Medical Assistance Percentage (FMAP) rate from 71.92% to a projected 65.5%, the lowest reimbursement rate Louisiana has had in more than 25 years.

In consideration for allowing the private partners to operate the hospitals, the LSU System expects to receive up-front cash payments totaling $280,593,426 and periodic lease payments ranging from $2,487,000 to $69,409,750 (adjusted for inflation) per year over lease terms ranging from 10 to 40 years. Act 420 of the 2013 Regular Session mandated that all collections of up-front and periodic lease payments be deposited with the State Treasury. As of the June 30, 2013 $253 million of up-front hospital lease payments had been received by the State from the LSU System.

B. OFFICE OF RISK MANAGEMENT

The Office of Risk Management purchases annuities to settle portions of certain claims. Third-party trustees then make payments to the claimants. At June 30, 2013, there were 30 active annuities which do not contain the wording releasing the State from any future liability on the claims. The outstanding amount due on these annuities as of June 30, 2013 was $48,555,831.

C. RECONCILIATION OF CLAIMS LIABILITY FOR STATE RISK PROGRAMS

In addition to risks related to the Office of Risk Management, the State is exposed to various risks of the self-insured and self-funded State Employees' Group Benefits Program, which provides health and life insurance benefits to active and retired employees. Beginning in 1989, the State stopped carrying commercial insurance because of the prohibitive cost and began covering all claim settlements and judgments with the resources of the General Fund. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

Changes in the reported liability since June 30, 2012, resulted from the following (expressed in thousands):

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	Recoveries from Settled and Unsettled Claims	Balance at Fiscal Year End
2012-13	$1,018,084	$959,843	($890,227)	($7,172)	$1,080,528
2011-12	$959,129	$953,030	($895,513)	$1,438	$1,018,084

D. RELATED PARTY TRANSACTIONS

The State Board of Elementary and Secondary Education (SBESE) serves as the governing board for the Department of Education. The State Superintendent of Education is appointed by the SBESE and is responsible for the daily administration of the department and submits educational policy and funding issues and awards to the SBESE for implementation authority.

The SBESE consists of eleven members representing eight geographic regions of the State (SBESE districts). Eight members are elected by citizens in the representative SBESE districts and three members at large are appointed by the governor. Elected and appointed members serve a term of four years concurrent with the term of the governor.

The Department of Education presents funding awards and/or allocations to the Finance Committee of the SBESE for recommendation to the full board. A majority of the board constitutes department authority to award funds to sub-recipients.

The elected SBESE member for the fourth SBESE district is currently the Superintendent of DeSoto Parish School Board and a sub-recipient of funds authorized by SBESE. For the fiscal year ended June 30, 2013, DeSoto Parish School Board received amounts totaling $19,415,707 in funding authorized by SBESE and released by the Department of Education.

The elected SBESE member for the third SBESE district is currently the Superintendent of the St. Martin Parish School Board and a sub-recipient of funds authorized by SBESE. For the fiscal year ended June 30, 2013, St. Martin Parish School Board received amounts totaling $55,927,489 in funding authorized by SBESE and released by the Department of Education.

The elected SBESE member for the second SBESE district is currently the Executive Director of Teach for America for Greater New Orleans Delta and a sub-recipient of funds authorized by SBESE. For the fiscal year ended June 30, 201, Teach for America for Greater New Orleans Delta received amounts totaling $968,468 in funding authorized by SBESE and released by the Department of Education.

The Motor Fuels Underground Storage Tank Trust Advisory Board advises the secretary of the Department of Environmental Quality regarding the Tank Trust Fund transactions. One board member has ownership in a company that received Trust Fund disbursements of $3,356,436.

The Louisiana Agricultural Finance Authority, an enterprise fund, administers the Louisiana Farm and Agribusiness Recovery Loan and Grant Program. Under the program, the Authority has made loans and grants totaling $1,275,154 to 33 individuals currently employed by the Department of Agriculture and Forestry (LDAF) or serve in a capacity within LDAF, who (for reporting purposes) are considered related parties. These individuals, whose loans are allowable under LRS 42:1113(D)(1)(c)(iii) and under the cooperative endeavor agreement between the Authority and the Division of Administration's Office of Community Development, qualified for the loans based on pre-established criteria applied to all loan applicants. The balance of these loans at June 30, 2013, is $426,477.

One of the recipients of the loans is Strain Cattle, which is a company owned by the LDAF Commissioner's family members. Strain Cattle participated in the Louisiana Farm and Agribusiness Recovery Loan and Grant Program with an award of $36,535.

E. ADOPTION OF NEW ACCOUNTING STANDARDS

For the year ended June 30, 2013, the State of Louisiana implemented GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*; GASB Statement No. 61, *The Financial and Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and 34;* GASB Statement No. 62*, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements;* and GASB Statement No. 63*, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.*

NOTE 12: SUBSEQUENT EVENTS

DEBT ISSUANCES

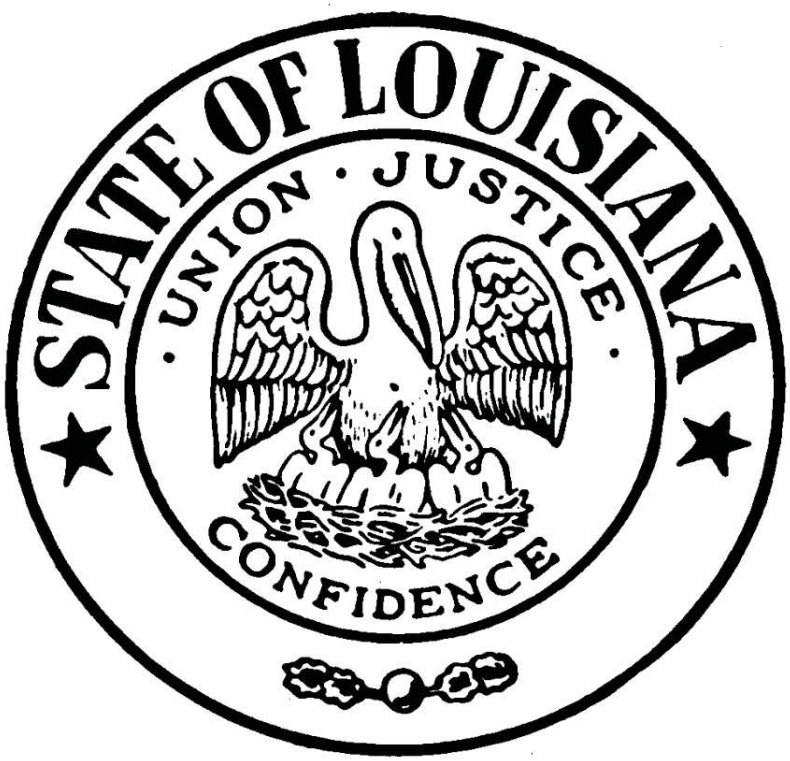
On October 30, 2013 the State executed a $205,805,000 General Obligation Delayed Draw Term Loan to advance refund certain maturities in General Obligation Series 2005A. The funds will be drawn on July 31, 2015 and placed into an interest-earning irrevocable trust from which the principal and interest of the outstanding Series 2005A maturities will be paid. The refunding term loan will mature on dates and in amounts coinciding with the maturities on the Series 2005A bonds. Present value savings from this refunding transaction will be approximately $9,800,000.

On November 1, 2013 the State issued $75,090,000 of Gasoline and Fuels Tax Second Lien Revenue Refunding Bonds, Series C-1 and C-2. The bonds were issued to provide funds to current refund $60,625,000 of Gasoline and Fuels Tax Second Lien Revenue Bonds, Series 2009A-4; terminate existing interest rate swaps; and pay the costs of issuance. The bonds are secured by gas and fuels tax revenues. The bonds have various maturities extending through 2043 with interest payments (ranging from 0.984% - 5.00%) due semiannually on May 1st and November 1st of each year.

On November 11, 2013, the Louisiana Transportation Authority issued Refunding Bonds Series 2013A to current refund a portion of the outstanding LA 1 Project Senior Toll Revenue Bonds, Series 2005A. Simultaneously with the issue of the bonds, the authority issued additional bonds under the Transportation Infrastructure Finance and Innovation Act to refund the remaining principal outstanding on the LA 1 Project Senior Toll Revenue Bonds, Series 2005A and the outstanding principal amount of the LA 1 Project Senior Lien Toll Revenue Capital Appreciation Bonds, Series 2005B. The bonds are secured by a pledge of revenues appropriated by the State each year sufficient to pay the annual debt service requirements.

On July 1, 2013, the Corporation issued $659,745,000 of Tobacco Settlement Asset-Backed Refunding Bonds, Series 2013A, for the purpose of refunding all of its outstanding Tobacco Asset-Backed Bonds, Series 2001B (Tax-Exempt), of which $738,300,000 is currently outstanding, funding a liquidity reserve in the amount of $57,369,112, and paying the costs of issuance thereof. The 2013A Bonds are secured and payable from the pledged TSR's which consists of 60% of all amounts payable to the State of Louisiana under the terms of the Master Settlement Agreements. The 2013A Bonds mature serially on May 15th of each year through 2035 with interest payments (ranging from 5.00% – 5.25%) due semiannually on May 15th and November 15th of each year.

On September 17, 2013 the Greater New Orleans Expressway Commission issued $25,545,000 in Refunding Revenue Bonds, Series 2013. The proceeds will be used to refund the outstanding portion of the Series 2003 Revenue Bonds and to pay costs of issuance. The bonds mature serially on November 1st of each year through 2027 with interest payments due (ranging from 3.00% - 5.00%) due May 1st and November 1st of each year.


STATE OF LOUISIANA
UNION · JUSTICE · CONFIDENCE

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
INTERGOVERNMENTAL	$ 11,267,207	$ 11,563,783	$ 8,970,026	$ (2,593,757)
SALES OF COMMODITIES	1,291,444	1,321,187	1,257,331	(63,856)
OTHER	231,216	512,319	477,968	(34,351)
INTERAGENCY TRANSFERS	1,007,595	1,011,449	633,368	(378,081)
TOTAL REVENUES	13,797,462	14,408,738	11,338,693	(3,070,045)
EXPENDITURES:				
CURRENT:				
GENERAL GOVERNMENT	4,877,191	5,203,325	3,374,596	1,828,729
CULTURE, RECREATION, AND TOURISM	90,046	91,722	83,460	8,262
TRANSPORTATION AND DEVELOPMENT	550,427	554,075	524,865	29,210
PUBLIC SAFETY	438,363	455,124	388,021	67,103
HEALTH AND WELFARE	9,724,017	9,870,551	8,891,398	979,153
CORRECTIONS	644,590	664,779	685,324	(20,545)
YOUTH SERVICES	126,457	118,843	114,593	4,250
CONSERVATION	503,148	513,018	345,550	167,468
EDUCATION	9,133,633	9,581,016	8,823,823	757,193
OTHER	19,649	20,255	20,363	(108)
INTERGOVERNMENTAL	447,646	457,868	411,290	46,578
DEBT SERVICE	85,832	85,201	63,322	21,879
TOTAL EXPENDITURES	26,640,999	27,615,777	23,726,605	3,889,172
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,843,537)	(13,207,039)	(12,387,912)	819,127
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	11,728,630	12,057,690	12,770,621	712,931
TRANSFERS OUT	(43,000)	(100,032)	(756,114)	(656,082)
OTHER	--	--	221,489	221,489
TOTAL OTHER FINANCING SOURCES	11,685,630	11,957,658	12,235,996	278,338
NET CHANGES IN FUND BALANCES	$ (1,157,907)	$ (1,249,381)	$ (151,916)	$ 1,097,465

The notes to required supplementary information are an integral part of this schedule.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY REPORTING

FOR THE YEAR ENDED JUNE 30, 2013

The Budgetary Comparison Schedule - Budget to Actual (Non-GAAP Budgetary Basis) of the General Fund presents comparisons of the original and final legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with GAAP, a reconciliation of resulting basis, perspective, and entity differences in the revenues in excess of (less than) expenditures and other financing sources (uses) between budgetary and GAAP presentations for the year ended June 30, 2013, is presented below (expressed in thousands) for the General Fund.

Net Change in Fund Balances (GAAP)	$	(453,964)
Reconciling Adjustments:		
Basis Differences:		
To Adjust for Revenue Accruals and Deferrals		2,902,354
To Adjust for Expenditure Accruals		(2,669,533)
To Delete IAT Related Transfers In		1,708,022
To Delete IAT Expenditures		(1,720,435)
Perspective Differences:		
Special Revenue Funds Reclassifed to General Fund for GASB 54 Presentation		81,640
Net Change in Fund Balances (Budgetary Basis)	$	(151,916)

Generally, revenues and expenditures are budgeted using the modified accrual basis of accounting. The budget is prepared for each budget unit at the appropriated program level which is the lowest level at which appropriations are adopted. This level of control also applies to the special revenue funds.

The General Fund Budget and Actual Schedule is reported by agency in the *Supplementary Information to the Comprehensive Annual Financial Report* available on request from the Louisiana Division of Administration, Office of Statewide Reporting and Accounting Policy.

OTHER POSTEMPLOYMENT BENEFITS PLANS

FOR THE YEAR ENDED JUNE 30, 2013

OGB Plan

The State of Louisiana Post-Retirement Benefit Plan is administered by the Office of Group Benefits (OGB) as an agent multiple-employer defined benefit OPEB plan. It provides health and life insurance coverage to eligible members. The following table presents the actuarially determined funding progress for the Plan using the projected unit credit cost method.

Schedule of Funding Progress

(Expressed in Thousands)

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
Primary Government	7/1/2010	$0	$6,405,570	$6,405,570	0.00%	$1,806,149	354.65%
Primary Government	7/1/2011	$0	$4,862,238	$4,862,238	0.00%	$1,661,530	292.64%
Primary Government	7/1/2012	$0	$5,381,518	$5,381,518	0.00%	$1,663,056	323.59%
Component Units	7/1/2010	$0	$2,943,379	$2,943,379	0.00%	$1,447,577	203.33%
Component Units	7/1/2011	$0	$2,201,779	$2,201,779	0.00%	$1,407,436	156.44%
Component Units	7/1/2012	$0	$2,021,972	$2,021,972	0.00%	$1,299,655	155.58%

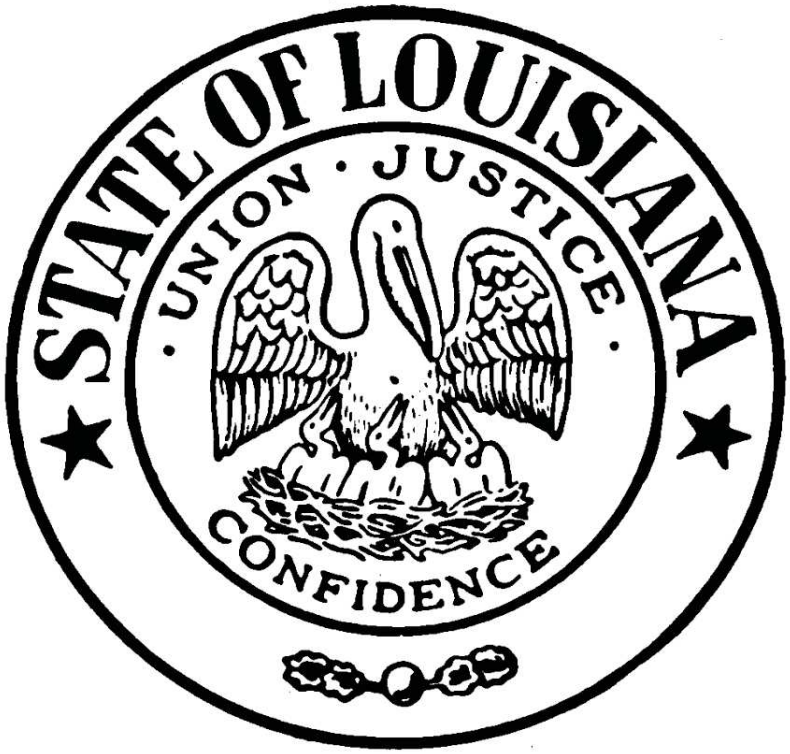
LSU Health Plan

The Louisiana State University (LSU) System (System), a discretely presented component unit of the State, offers its eligible employees, retirees, and their beneficiaries healthcare coverage through the LSU Health Plan. It is a single-employer defined benefit plan. The following table presents the actuarially determined funding progress for the Plan using the projected unit credit cost method.

Schedule of Funding Progress

(Expressed in Thousands)

	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
Primary Government	7/1/2010	$0	$17,279	$17,279	0.00%	$25,785	67.01%
Primary Government	7/1/2011	$0	$22,829	$22,829	0.00%	$24,144	94.55%
Primary Government	7/1/2012	$0	$64,761	$64,761	0.00%	$26,622	243.26%
Component Units	7/1/2010	$0	$663,824	$663,824	0.00%	$594,837	111.60%
Component Units	7/1/2011	$0	$803,135	$803,135	0.00%	$590,615	135.98%
Component Units	7/1/2012	$0	$1,074,926	$1,074,926	0.00%	$573,371	187.47%


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

BUDGETARY COMPARISON SCHEDULE MAJOR DEBT SERVICE FUND

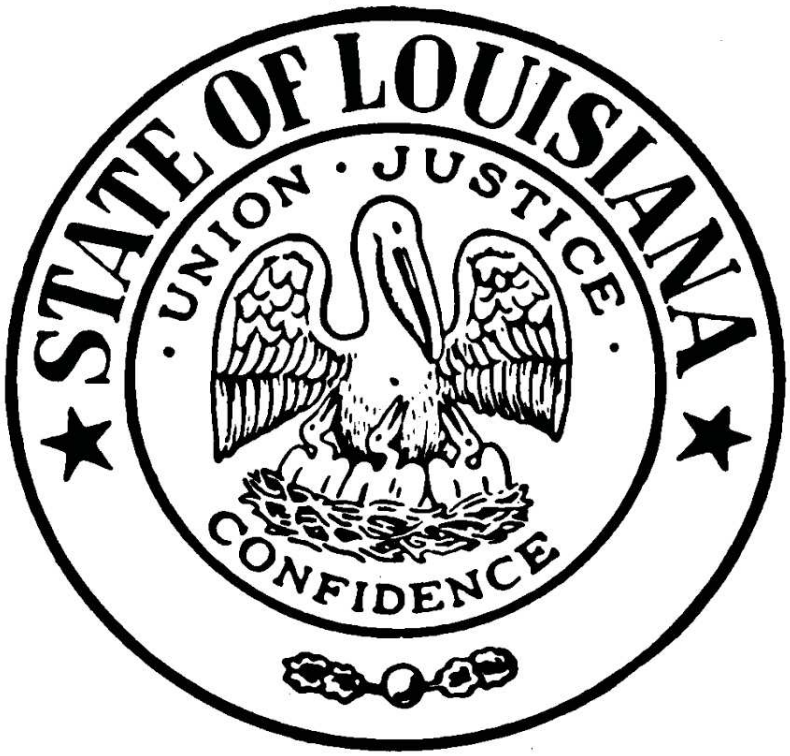
BUDGETARY COMPARISON SCHEDULE - BOND SECURITY AND REDEMPTION FUND

BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

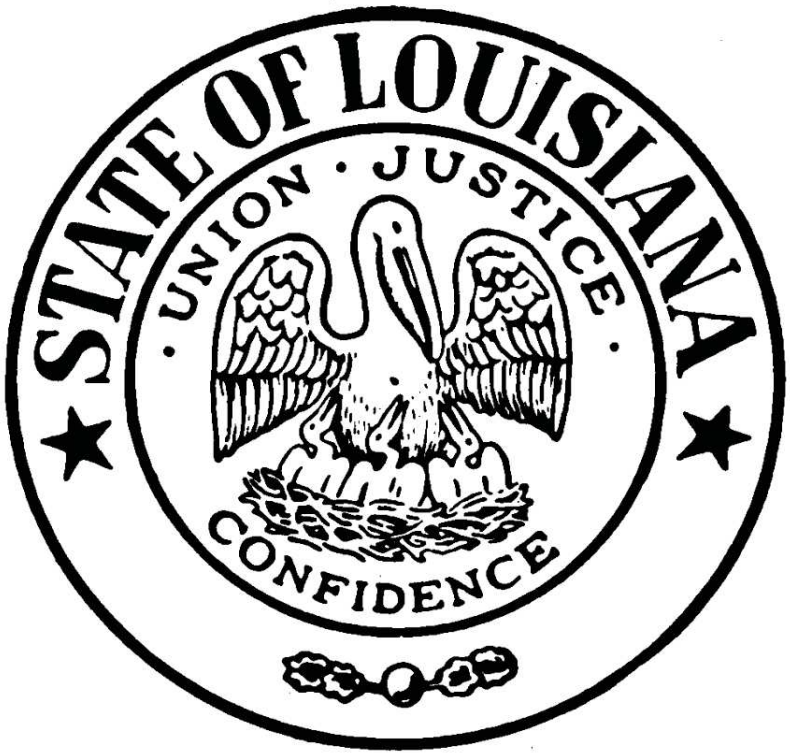
FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES:				
INTERGOVERNMENTAL	$ 6,797	$ 54,297	$ 93,109	$ 38,812
TAXES	7,833,100	7,929,800	8,168,314	238,514
GAMING	836,200	846,000	838,500	(7,500)
TOBACCO SETTLEMENT	97,300	121,600	84,250	(37,350)
USE OF MONEY AND PROPERTY	708,693	574,785	647,157	72,372
LICENSES, PERMITS, AND FEES	383,439	384,345	616,526	232,181
SALES OF COMMODITIES	47,473	45,502	123,178	77,676
OTHER	613,522	636,649	698,562	61,913
INTERAGENCY TRANSFERS	1,488,900	1,762,173	1,303,901	(458,272)
TOTAL REVENUES	12,015,424	12,355,151	12,573,497	218,346
EXPENDITURES:				
CURRENT:				
DEBT SERVICE	235,423	297,461	323,869	(26,408)
TOTAL EXPENDITURES	235,423	297,461	323,869	(26,408)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,780,001	12,057,690	12,249,628	191,938
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	--	--	137,186	137,186
TRANSFERS OUT	(11,780,001)	(12,057,690)	(12,386,814)	(329,124)
TOTAL OTHER FINANCING SOURCES AND (USES)	(11,780,001)	(12,057,690)	(12,249,628)	(191,938)
NET CHANGES IN FUND BALANCES	$ --	$ --	$ --	$ --


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULE – NONMAJOR FUNDS


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)	SPECIAL REVENUE FUNDS			
	EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT	FEDERAL ENERGY SETTLEMENT FUND	INCUMBENT WORKER TRAINING ACCOUNT	LABOR PENALTY AND INTEREST ACCOUNT
ASSETS				
CASH AND CASH EQUIVALENTS	$ 11,105	$ 18,109	$ 23,792	$ 4,868
INVESTMENTS	--	--	--	--
RECEIVABLES (NET)	759	--	3,717	4,402
DUE FROM OTHER FUNDS	202	--	--	--
DUE FROM FEDERAL GOVERNMENT	--	--	--	--
TOTAL ASSETS	$ 12,066	$ 18,109	$ 27,509	$ 9,270
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE AND ACCRUALS	$ --	$ --	$ --	$ --
DUE TO OTHER FUNDS	--	8,045	1,267	123
DEFERRED REVENUE	--	--	--	--
OTHER LIABILITIES	--	--	--	--
TOTAL LIABILITIES	--	8,045	1,267	123
FUND BALANCES:				
NONSPENDABLE	--	--	--	--
RESTRICTED	--	10,064	--	--
COMMITTED	12,066	--	26,242	9,147
TOTAL FUND BALANCES	12,066	10,064	26,242	9,147
TOTAL LIABILITIES AND FUND BALANCES	$ 12,066	$ 18,109	$ 27,509	$ 9,270

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)	EMPLOYMENT SECURITY ADMINISTRATIVE ACCOUNT	FEDERAL ENERGY SETTLEMENT FUND	INCUMBENT WORKER TRAINING ACCOUNT	LABOR PENALTY AND INTEREST ACCOUNT
REVENUES:				
INTERGOVERNMENTAL REVENUES	$ --	$ --	$ --	$ --
TAXES	3,986	--	22,275	5,503
TOBACCO SETTLEMENT	--	--	--	--
USE OF MONEY AND PROPERTY	19	--	(8)	36
LICENSES, PERMITS, AND FEES	--	--	--	167
OTHER	--	9	--	--
TOTAL REVENUES	4,005	9	22,267	5,706
EXPENDITURES:				
CURRENT:				
CULTURE, RECREATION, AND TOURISM	--	--	--	--
TRANSPORTATION AND DEVELOPMENT	--	--	--	--
PUBLIC SAFETY	--	--	--	--
EDUCATION	--	--	--	--
OTHER	--	--	--	--
INTERGOVERNMENTAL	--	--	--	--
DEBT SERVICE:				
PRINCIPAL RETIREMENT	--	--	--	--
INTEREST AND FISCAL CHARGES	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,005	9	22,267	5,706
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	--	--	--	--
TRANSFERS OUT	(1,993)	(7,340)	(25,227)	(4,597)
PAYMENTS TO REFUNDED BOND ESCROW AGENT	--	--	--	--
REFUNDING BONDS	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	(1,993)	(7,340)	(25,227)	(4,597)
NET CHANGE IN FUND BALANCES	2,012	(7,331)	(2,960)	1,109
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	10,054	17,395	29,202	8,038
FUND BALANCES AT END OF YEAR	$ 12,066	$ 10,064	$ 26,242	$ 9,147

(Continued)

SPECIAL REVENUE FUNDS

LOUISIANA TOURISM PROMOTION DISTRICT	MARSH ISLAND OPERATING FUND	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	STATE HIGHWAY FUND #2	TIDELANDS FUND	TRANSPORTATION TRUST FUND	TOTAL SPECIAL REVENUE FUNDS JUNE 30, 2013
$ 1,734	$ 153	$ --	$ 10,011	$ 5	$ 367,009	$ 436,786
--	--	--	--	--	--	--
1,709	28	--	882	--	--	11,497
2,474	--	--	--	--	88,974	91,650
--	--	--	--	--	67,175	67,175
$ 5,917	$ 181	$ --	$ 10,893	$ 5	$ 523,158	$ 607,108
$ --	$ --	$ --	$ 6,408	$ --	$ 250	$ 6,658
2,938	181	--	4,485	--	131,087	148,126
--	--	--	--	--	--	--
--	--	--	--	--	--	--
2,938	181	--	10,893	--	131,337	154,784
--	--	--	--	--	--	--
--	--	--	--	5	391,821	401,890
2,979	--	--	--	--	--	50,434
2,979	--	--	--	5	391,821	452,324
$ 5,917	$ 181	$ --	$ 10,893	$ 5	$ 523,158	$ 607,108

LOUISIANA TOURISM PROMOTION DISTRICT	MARSH ISLAND OPERATING FUND	RETIREMENT SYSTEMS INSURANCE PROCEEDS FUND	STATE HIGHWAY FUND #2	TIDELANDS FUND	TRANSPORTATION TRUST FUND	TOTAL SPECIAL REVENUE FUNDS JUNE 30, 2013
$ --	$ --	$ --	$ --	$ --	$ 827,362	$ 827,362
22,150	--	--	--	--	--	53,914
--	--	--	--	--	--	--
2	238	--	--	--	(629)	(342)
--	--	55,104	11,858	--	--	67,129
9	1	--	--	--	--	19
22,161	239	55,104	11,858	--	826,733	948,082
--	--	--	--	--	--	--
--	--	--	--	--	1,197	1,197
--	--	1,500	--	--	--	1,500
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	53,604	5,929	--	--	59,533
--	--	--	--	--	--	--
--	--	--	--	--	7,085	7,085
--	--	55,104	5,929	--	8,282	69,315
22,161	239	--	5,929	--	818,451	878,767
4,168	333	--	--	--	575,950	580,451
(33,543)	(572)	--	(5,929)	--	(1,416,721)	(1,495,922)
--	--	--	--	--	--	--
--	--	--	--	--	--	--
(29,375)	(239)	--	(5,929)	--	(840,771)	(915,471)
(7,214)	--	--	--	--	(22,320)	(36,704)
10,193	--	--	--	5	414,141	489,028
$ 2,979	$ --	$ --	$ --	$ 5	$ 391,821	$ 452,324

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS — **DEBT SERVICE FUNDS** — **PERMANENT FUNDS**

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)	TOBACCO SETTLEMENT FINANCING CORPORATION	TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT	TOTAL DEBT SERVICE FUNDS JUNE 30, 2013	EDUCATION EXCELLENCE FUND
ASSETS				
CASH AND CASH EQUIVALENTS	$ 307	$ 4,283	$ 4,590	$ 60,689
INVESTMENTS	124,010	142,925	266,935	415,393
RECEIVABLES (NET)	--	1,652	1,652	--
DUE FROM OTHER FUNDS	--	--	--	389
DUE FROM FEDERAL GOVERNMENT	--	--	--	--
TOTAL ASSETS	$ 124,317	$ 148,860	$ 273,177	$ 476,471
LIABILITIES AND FUND BALANCES				
LIABILITIES:				
ACCOUNTS PAYABLE AND ACCRUALS	$ 69	$ 67	$ 136	$ 212
DUE TO OTHER FUNDS	--	7,071	7,071	5
DEFERRED REVENUE	--	1,652	1,652	--
OTHER LIABILITIES	--	--	--	--
TOTAL LIABILITIES	69	8,790	8,859	217
FUND BALANCES:				
NONSPENDABLE	--	--	--	462,708
RESTRICTED	124,248	140,070	264,318	13,546
COMMITTED	--	--	--	--
TOTAL FUND BALANCES	124,248	140,070	264,318	476,254
TOTAL LIABILITIES AND FUND BALANCES	$ 124,317	$ 148,860	$ 273,177	$ 476,471

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)	TOBACCO SETTLEMENT FINANCING CORPORATION	TRANSPORTATION INFRASTRUCTURE MODEL FOR ECONOMIC DEVELOPMENT	TOTAL DEBT SERVICE FUNDS JUNE 30, 2013	EDUCATION EXCELLENCE FUND
REVENUES:				
INTERGOVERNMENTAL REVENUES	$ --	$ 1,836	$ 1,836	$ --
TAXES	--	116,552	116,552	--
TOBACCO SETTLEMENT	126,375	--	126,375	--
USE OF MONEY AND PROPERTY	3,410	(11)	3,399	--
LICENSES, PERMITS, AND FEES	--	--	--	--
OTHER	--	12,000	12,000	--
TOTAL REVENUES	129,785	130,377	260,162	--
EXPENDITURES:				
CURRENT:				
CULTURE, RECREATION, AND TOURISM	--	--	--	--
TRANSPORTATION AND DEVELOPMENT	--		--	--
PUBLIC SAFETY	--	--	--	--
EDUCATION		--	--	400
OTHER	172	473	645	--
INTERGOVERNMENTAL	--	--	--	--
DEBT SERVICE:				
PRINCIPAL RETIREMENT	84,800	14,430	99,230	--
INTEREST AND FISCAL CHARGES	47,856	121,074	168,930	--
TOTAL EXPENDITURES	132,828	135,977	268,805	400
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,043)	(5,600)	(8,643)	(400)
OTHER FINANCING SOURCES (USES):				
TRANSFERS IN	--	240	240	5,393
TRANSFERS OUT	--	(92,314)	(92,314)	(14,224)
PAYMENTS TO REFUNDED BOND ESCROW AGENT	--	(476,125)	(476,125)	--
REFUNDING BONDS	--	476,125	476,125	--
TOTAL OTHER FINANCING SOURCES (USES)	--	(92,074)	(92,074)	(8,831)
NET CHANGE IN FUND BALANCES	(3,043)	(97,674)	(100,717)	(9,231)
FUND BALANCES AT BEGINNING OF YEAR AS RESTATED	127,291	237,744	365,035	485,485
FUND BALANCES AT END OF YEAR	$ 124,248	$ 140,070	$ 264,318	$ 476,254

(Concluded)

PERMANENT FUNDS

FULLER-EDWARDS ARBORETUM TRUST FUND	HEALTH EXCELLENCE FUND	W. R. IRBY BEQUEST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2013	TOTAL NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2013
$ 216	$ 60,668	$ 1,831	$ 63,530	$ 186,934	$ 628,310
--	415,215	--	439,259	1,269,867	1,536,802
--	--	102	--	102	13,251
--	13,071	--	389	13,849	105,499
--	--	--	--	--	67,175
$ 216	$ 488,954	$ 1,933	$ 503,178	$ 1,470,752	$ 2,351,037
$ 1	$ --	$ 43	$ --	$ 256	$ 7,050
--	12,067	--	6,396	18,468	173,665
--	--	--	--	--	1,652
--	--	33	--	33	33
1	12,067	76	6,396	18,757	182,400
100	464,562	--	463,051	1,390,421	1,390,421
115	12,325	1,857	33,731	61,574	727,782
--	--	--	--	--	50,434
215	476,887	1,857	496,782	1,451,995	2,168,637
$ 216	$ 488,954	$ 1,933	$ 503,178	$ 1,470,752	$ 2,351,037

FULLER-EDWARDS ARBORETUM TRUST FUND	HEALTH EXCELLENCE FUND	W. R. IRBY BEQUEST FUND	TOPS FUND	TOTAL PERMANENT FUNDS JUNE 30, 2013	TOTAL NON-MAJOR GOVERNMENTAL FUNDS JUNE 30, 2013
$ --	$ --	$ --	$ --	$ --	$ 829,198
--	--	--	--	--	170,466
--	--	--	--	--	126,375
1	--	1,720	--	1,721	4,778
--	--	--	--	--	67,129
--	--	--	--	--	12,019
1	--	1,720	--	1,721	1,209,965
1	--	1,224	--	1,225	1,225
--	--	--	--	--	1,197
--	--	--	--	--	1,500
--	--	--	--	400	400
--	--	--	--	--	645
--	--	--	--	--	59,533
--	--	--	--	--	99,230
--	--	--	--	--	176,015
1	--	1,224	--	1,625	339,745
--	--	496	--	96	870,220
--	18,076	--	68,581	92,050	672,741
--	(24,967)	--	(70,102)	(109,293)	(1,697,529)
--	--	--	--	--	(476,125)
--	--	--	--	--	476,125
--	(6,891)	--	(1,521)	(17,243)	(1,024,788)
--	(6,891)	496	(1,521)	(17,147)	(154,568)
215	483,778	1,361	498,303	1,469,142	2,323,205
$ 215	$ 476,887	$ 1,857	$ 496,782	$ 1,451,995	$ 2,168,637

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	EMPLOYMENT SECURITY ADMINISTRATION ACCOUNT			FEDERAL ENERGY SETTLEMENT FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	7,875	3,986	(3,889)	--	--	--
USE OF MONEY AND PROPERTY	--	19	19	15,991	33	(15,958)
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	--	--	--	9	9
TOTAL REVENUES	7,875	4,005	(3,870)	15,991	42	(15,949)
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,875	4,005	(3,870)	15,991	42	(15,949)
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	(7,875)	(1,993)	5,882	(15,991)	(7,340)	8,651
TOTAL OTHER FINANCING SOURCES (USES)	(7,875)	(1,993)	5,882	(15,991)	(7,340)	8,651
NET CHANGES IN FUND BALANCES	$ --	$ 2,012	$ 2,012	$ --	$ (7,298)	$ (7,298)

	INCUMBENT WORKER TRAINING ACCOUNT			LABOR PENALTY AND INTEREST ACCOUNT		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	26,657	22,275	(4,382)	2,887	5,503	2,616
USE OF MONEY AND PROPERTY	--	46	46	--	36	36
LICENSES, PERMITS, AND FEES	--	--	--	--	167	167
OTHER	--	--	--	--	--	--
TOTAL REVENUES	26,657	22,321	(4,336)	2,887	5,706	2,819
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	26,657	22,321	(4,336)	2,887	5,706	2,819
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	(26,657)	(25,227)	1,430	(2,887)	(4,597)	(1,710)
TOTAL OTHER FINANCING SOURCES (USES)	(26,657)	(25,227)	1,430	(2,887)	(4,597)	(1,710)
NET CHANGES IN FUND BALANCES	$ --	$ (2,906)	$ (2,906)	$ --	$ 1,109	$ 1,109

* "Actual" on the budgetary basis includes only realized gains/losses on investments.
Both realized and unrealized gains/losses are recognized as revenue in governmental funds.
** Reclassification between revenues or expenditures and Other Financing Sources (Uses)
is required for the budgetary basis.

(Continued)

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	LOUISIANA TOURISM PROMOTION DISTRICT			MARSH ISLAND OPERATING FUND		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL **	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	21,900	22,150	250	--	--	--
USE OF MONEY AND PROPERTY	--	2	2	391	238	(153)
LICENSES, PERMITS, AND FEES	--	--	--	--	--	--
OTHER	--	9	9	--	1	1
TOTAL REVENUES	21,900	22,161	261	391	239	(152)
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	--	--	--
OTHER	--	--	--	--	--	--
TOTAL EXPENDITURES	--	--	--	--	--	--
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	21,900	22,161	261	391	239	(152)
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	4,168	4,168	--	333	333
TRANSFERS OUT	(21,900)	(33,543)	(11,643)	(391)	(572)	(181)
TOTAL OTHER FINANCING SOURCES (USES)	(21,900)	(29,375)	(7,475)	(391)	(239)	152
NET CHANGES IN FUND BALANCES	$ --	$ (7,214)	$ (7,214)	$ --	$ --	$ --

	RETIREMENT SYSTEM INSURANCE PROCEEDS FUND			STATE HIGHWAY FUND #2		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ --	$ --	$ --	$ --	$ --	$ --
TAXES	--	--	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	--	--	--	--
LICENSES, PERMITS, AND FEES	57,100	55,104	(1,996)	11,400	11,858	458
OTHER	--	--	--	--	--	--
TOTAL REVENUES	57,100	55,104	(1,996)	11,400	11,858	458
EXPENDITURES:						
INTERGOVERNMENTAL	57,100	53,604	3,496	11,400	5,929	5,471
OTHER	--	1,500	(1,500)	--	--	--
TOTAL EXPENDITURES	57,100	55,104	1,996	11,400	5,929	5,471
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	--	--	--	--	5,929	5,929
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	--	--	--	--	--	--
TRANSFERS OUT	--	--	--	--	(5,929)	(5,929)
TOTAL OTHER FINANCING SOURCES (USES)	--	--	--	--	(5,929)	(5,929)
NET CHANGES IN FUND BALANCES	$ --	$ --	$ --	$ --	$ --	$ --

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL (NON-GAAP BUDGETARY BASIS)

NONMAJOR SPECIAL REVENUE FUNDS

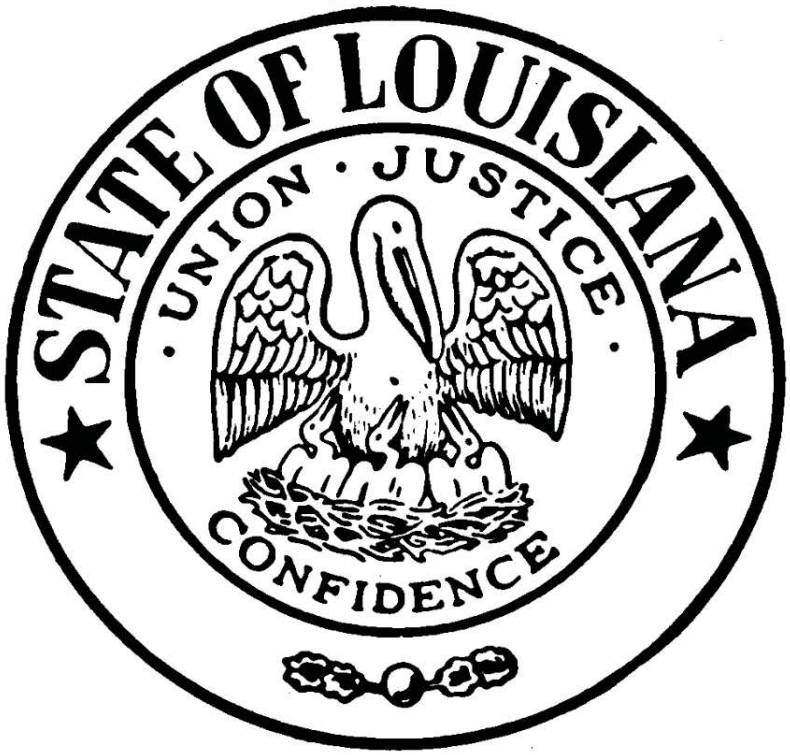
FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	TRANSPORTATION TRUST FUND			TOTAL BUDGETED SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL *	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:						
INTERGOVERNMENTAL	$ 742,242	$ 827,362	$ 85,120	$ 742,242	$ 827,362	$ 85,120
TAXES	--	--	--	59,319	53,914	(5,405)
USE OF MONEY AND PROPERTY	--	--	--	16,382	374	(16,008)
LICENSES, PERMITS, AND FEES	--	--	--	68,500	67,129	(1,371)
OTHER	--	--	--	--	19	19
TOTAL REVENUES	742,242	827,362	85,120	886,443	948,798	62,355
EXPENDITURES:						
INTERGOVERNMENTAL	--	--	--	68,500	59,533	8,967
OTHER	8,282	8,282	--	8,282	9,782	(1,500)
TOTAL EXPENDITURES	8,282	8,282	--	76,782	69,315	7,467
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	733,960	819,080	85,120	809,661	879,483	69,822
OTHER FINANCING SOURCES (USES):						
TRANSFERS IN	531,600	575,950	44,350	531,600	580,451	48,851
TRANSFERS OUT	(1,265,560)	(1,416,721)	(151,161)	(1,341,261)	(1,495,922)	(154,661)
TOTAL OTHER FINANCING SOURCES (USES)	(733,960)	(840,771)	(106,811)	(809,661)	(915,471)	(105,810)
NET CHANGES IN FUND BALANCES	$ --	$ (21,691)	$ (21,691)	$ --	$ (35,988)	$ (35,988)

* "Actual" on the budgetary basis includes only realized gains/losses on investments.
Both realized and unrealized gains/losses are recognized as revenue in governmental funds.
** Reclassification between revenues or expenditures and Other Financing Sources (Uses)
is required for the budgetary basis.

(Concluded)


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

COMBINING STATEMENT OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	BROWNSFIELDS CLEANUP REVOLVING LOAN FUND	CLEAN WATER STATE REVOLVING FUND	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ 27,467	$ --	$ 334,804	$ 73,017	$ 4,392
RESTRICTED CASH AND CASH EQUIVALENTS	15	--	--	--	--
INVESTMENTS	10,458	--	--	--	--
RECEIVABLES (NET)	1,463	--	653	950	233
DUE FROM OTHER FUNDS	--	--	--	--	1,080
DUE FROM FEDERAL GOVERNMENT	--	272	411	--	--
INVENTORIES	8	--	--	--	--
PREPAYMENTS	118	--	--	--	--
NOTES RECEIVABLE	--	--	17,187	8,267	7,897
OTHER CURRENT ASSETS	6	--	--	--	254
TOTAL CURRENT ASSETS	39,535	272	353,055	82,234	13,856
NONCURRENT ASSETS:					
RESTRICTED ASSETS					
CASH	1,785	--	--	--	5,279
INVESTMENTS	709	--	--	--	8,550
RECEIVABLES	46	--	--	--	--
INVESTMENTS	1,681	--	--	--	--
NOTES RECEIVABLE	--	--	174,224	117,816	7,193
CAPITAL ASSETS (NOTE 5)					
LAND	2,557	--	--	--	6,857
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	13,021	--	--	--	33,424
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	566	--	--	--	385
INFRASTRUCTURE (NET OF DEPRECIATION)	--	--	--	--	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	150	--	--	--	--
CONSTRUCTION IN PROGRESS	--	--	--	--	211
OTHER NONCURRENT ASSETS	17	--	--	--	752
TOTAL NONCURRENT ASSETS	20,532	--	174,224	117,816	62,651
TOTAL ASSETS	$ 60,067	$ 272	$ 527,279	$ 200,050	$ 76,507
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 2,168	$ --	$ 20	$ --	$ 678
DUE TO OTHER FUNDS	--	272	98	--	13,972
DEFERRED REVENUES	4,948	--	--	--	13
AMOUNTS HELD IN CUSTODY FOR OTHERS	75	--	--	--	--
OTHER CURRENT LIABILITIES	154	--	--	--	3
CURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	259	--	--	--	--
NOTES PAYABLE	119	--	--	--	--
BONDS PAYABLE	--	--	--	--	7,785
TOTAL CURRENT LIABILITIES	7,723	272	118	--	22,451
NONCURRENT LIABILITIES:					
NONCURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	832	--	--	--	--
NOTES PAYABLE	1,800	--	--	--	--
BONDS PAYABLE (NET OF UNAMORTIZED DISCOUNTS)	--	--	--	--	38,930
OPEB PAYABLE	10,814	--	--	--	--
OTHER LONG-TERM LIABILITIES	5	--	--	--	--
TOTAL NONCURRENT LIABILITIES	13,451	--	--	--	38,930
TOTAL LIABILITIES	21,174	272	118	--	61,381
NET POSITION					
NET INVESTMENT IN CAPITAL ASSETS	14,370	--	--	--	2,711
RESTRICTED FOR CAPITAL PROJECTS	--	--	--	--	1,150
RESTRICTED FOR DEBT SERVICE	--	--	--	--	3,377
RESTRICTED FOR OTHER SPECIFIC PURPOSES	1,795	--	--	--	751
UNRESTRICTED	22,728	--	527,161	200,050	7,137
TOTAL NET POSITION	38,893	--	527,161	200,050	15,126
TOTAL LIABILITIES AND NET POSITION	$ 60,067	$ 272	$ 527,279	$ 200,050	$ 76,507

LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA GULF OPPORTUNITY ZONE LOAN FUND	LOUISIANA PROPERTY ASSISTANCE AGENCY	LOUISIANA TRANSPORTATION AUTHORITY	PRISON ENTERPRISES	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
$ 1,440	$ --	$ 8,359	$ --	$ 3,107	$ 55	$ 452,641
--	--	--	--	--	--	15
--	--	--	--	--	--	10,458
255	--	215	--	2,008	48	5,825
--	--	--	--	--	--	1,080
--	--	--	--	--	--	683
91	--	--	--	6,554	492	7,145
--	--	--	--	6	--	124
--	15,730	--	--	--	--	49,081
--	--	--	--	--	--	260
1,786	15,730	8,574	--	11,675	595	527,312
--	--	--	336	--	--	7,400
--	--	--	5,112	--	--	14,371
--	--	--	1,833	--	--	1,879
--	--	--	--	--	--	1,681
--	288,124	--	--	--	--	587,357
--	--	695	--	--	1,245	11,354
637	--	2,660	--	680	2,184	52,606
19	--	141	--	5,094	143	6,348
--	--	--	340,582	--	--	340,582
--	--	--	--	--	--	150
--	--	--	--	--	--	211
--	--	--	2,808	--	--	3,577
656	288,124	3,496	350,671	5,774	3,572	1,027,516
$ 2,442	$ 303,854	$ 12,070	$ 350,671	$ 17,449	$ 4,167	$ 1,554,828
$ 65	$ --	$ 230	$ 274	$ 2,151	$ 135	$ 5,721
--	--	--	--	--	8	14,350
--	--	--	481	1	--	5,443
--	--	--	--	--	--	75
--	--	--	924	--	--	1,081
6	--	21	--	34	7	327
--	--	--	--	--	--	119
--	--	--	1,554	--	--	9,339
71	--	251	3,233	2,186	150	36,455
15	--	95	--	410	245	1,597
--	--	--	--	--	--	1,800
--	--	--	176,645	--	--	215,575
519	--	1,682	--	5,111	3,043	21,169
--	--	--	--	--	--	5
534	--	1,777	176,645	5,521	3,288	240,146
605	--	2,028	179,878	7,707	3,438	276,601
656	--	3,496	162,383	5,774	3,572	192,962
--	--	--	--	--	--	1,150
--	--	--	4,530	--	--	7,907
--	--	--	--	--	--	2,546
1,181	303,854	6,546	3,880	3,968	(2,843)	1,073,662
1,837	303,854	10,042	170,793	9,742	729	1,278,227
$ 2,442	$ 303,854	$ 12,070	$ 350,671	$ 17,449	$ 4,167	$ 1,554,828

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	BROWNSFIELDS CLEANUP REVOLVING LOAN FUND	CLEAN WATER STATE REVOLVING FUND	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY
OPERATING REVENUES:					
SALES OF COMMODITIES AND SERVICES	$ 847	$ --	$ --	$ --	$ --
ASSESSMENTS	7,844	--	--	--	--
USE OF MONEY AND PROPERTY	--	--	3,111	4,122	3,975
LICENSES, PERMITS, AND FEES	30,143	--	--	--	--
FEDERAL GRANTS AND CONTRACTS	--	--	517	5,552	--
OTHER	956	--	948	643	206
TOTAL OPERATING REVENUES	39,790	--	4,576	10,317	4,181
OPERATING EXPENSES:					
COST OF SALES AND SERVICES	8,244	--	712	5,552	4,240
ADMINISTRATIVE	26,962	--	--	--	649
DEPRECIATION	685	--	--	--	3,457
AMORTIZATION	--	--	--	--	335
TOTAL OPERATING EXPENSES	35,891	--	712	5,552	8,681
OPERATING INCOME (LOSS)	3,899	--	3,864	4,765	(4,500)
NONOPERATING REVENUES (EXPENSES):					
INTERGOVERNMENTAL EXPENSES	--	--	--	--	1,476
USE OF MONEY AND PROPERTY	60	--	--	--	--
GAIN ON DISPOSAL OF FIXED ASSETS	1	--	--	--	--
LOSS ON DISPOSAL OF FIXED ASSETS	--	--	--	--	(148)
INTEREST EXPENSE	(110)	--	--	(1)	--
OTHER REVENUES	2,687	--	--	--	--
OTHER EXPENSES	(2,501)	--	(39)	(41)	--
TOTAL NONOPERATING REVENUES (EXPENSES)	137	--	(39)	(42)	1,328
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	4,036	--	3,825	4,723	(3,172)
CAPITAL CONTRIBUTIONS	--	434	23,480	16,964	--
TRANSFERS IN	--	--	--	--	17,221
TRANSFERS OUT	--	(434)	(861)	--	--
CHANGE IN NET POSITION	4,036	--	26,444	21,687	14,049
TOTAL NET POSITION - BEGINNING AS RESTATED	34,857	--	500,717	178,363	1,077
TOTAL NET POSITION - ENDING	$ 38,893	$ --	$ 527,161	$ 200,050	$ 15,126

LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA GULF OPPORTUNITY ZONE LOAN FUND	LOUISIANA PROPERTY ASSISTANCE AGENCY	LOUISIANA TRANSPORTATION AUTHORITY	PRISON ENTERPRISES	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
$ 1,975	$ --	$ 6,231	$ --	$ 29,186	$ 3,751	$ 41,990
--	--	--	--	--	--	7,844
--	--	--	--	--	--	11,208
--	--	--	3,637	--	--	33,780
--	--	--	--	--	--	6,069
--	--	--	--	--	--	2,753
1,975	--	6,231	3,637	29,186	3,751	103,644
816	--	1,984	--	15,905	1,633	39,086
817	--	3,779	2	11,256	2,808	46,273
39	--	182	9,916	452	143	14,874
--	--	--	161	--	--	496
1,672	--	5,945	10,079	27,613	4,584	100,729
303	--	286	(6,442)	1,573	(833)	2,915
--	--	--	--	(1,062)	--	414
2	--	15	--	11	--	88
--	--	--	--	326	--	327
--	--	1	--	(552)	(30)	(729)
--	--	--	(7,727)	--	--	(7,838)
3	--	128	181	316	--	3,315
(2)	--	--	--	(55)	--	(2,638)
3	--	144	(7,546)	(1,016)	(30)	(7,061)
306	--	430	(13,988)	557	(863)	(4,146)
--	--	--	3,351	--	--	44,229
--	--	--	--	--	--	17,221
--	(29,127)	--	--	--	--	(30,422)
306	(29,127)	430	(10,637)	557	(863)	26,882
1,531	332,981	9,612	181,430	9,185	1,592	1,251,345
$ 1,837	$ 303,854	$ 10,042	$ 170,793	$ 9,742	$ 729	$ 1,278,227

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BOARDS AND COMMISSIONS	BROWNSFIELDS CLEANUP REVOLVING LOAN FUND	CLEAN WATER STATE REVOLVING FUND	DRINKING WATER REVOLVING LOAN FUND	LOUISIANA AGRICULTURAL FINANCE AUTHORITY
CASH FLOWS FROM OPERATING ACTIVITIES:					
CASH RECEIPTS FROM CUSTOMERS	$ 39,895	$ --	$ 90,896	$ 40,774	$ 3,494
CASH RECEIPTS FROM INTERFUND SERVICES PROVIDED	164	--	--	--	1,550
OTHER OPERATING CASH RECEIPTS	205	--	864	111	447
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(16,961)	--	(48,934)	(21,768)	(11,997)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(17,289)	--	--	--	--
CASH PAYMENTS FOR INTERFUND SERVICES USED, INCLUDING PAYMENTS IN LIEU OF TAXES	(10)	--	--	--	--
OTHER OPERATING CASH PAYMENTS	(35)	--	--	--	(3,042)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	5,969	--	42,826	19,117	(9,548)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
PROCEEDS FROM ISSUANCE OF BONDS AND NOTES	--	--	6,161	4,208	7,476
PRINCIPAL PAID ON BONDS AND NOTES	--	--	(6,200)	(4,250)	(7,086)
INTEREST PAID ON BONDS AND NOTES	--	--	--	(1)	--
OPERATING GRANTS RECEIVED	--	--	--	--	588
TRANSFERS IN	--	--	--	--	17,221
TRANSFERS OUT	--	(162)	(861)	--	--
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	--	(162)	(900)	(43)	18,199
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
PROCEEDS FROM ISSUANCE OF BONDS AND NOTES	--	--	--	--	7,749
PRINCIPAL PAID ON BONDS AND NOTES	(248)	--	--	--	(13,602)
INTEREST PAID ON BONDS AND NOTES	(114)	--	--	--	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(635)	--	--	--	(1,360)
PROCEEDS FROM SALE OF CAPITAL ASSETS	--	--	--	--	--
CAPITAL CONTRIBUTIONS	--	162	23,159	16,964	--
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(997)	162	23,159	16,964	(7,213)
CASH FLOWS FROM INVESTING ACTIVITIES:					
PURCHASES OF INVESTMENT SECURITIES	(8,757)	--	--	--	--
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	8,711	--	--	--	--
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	65	--	--	--	--
NET CASH PROVIDED BY INVESTING ACTIVITIES	19	--	--	--	--
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,991	--	65,085	36,038	1,438
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR AS RESTATED*	24,276	--	269,719	36,979	8,233
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 29,267	$ --	$ 334,804	$ 73,017	$ 9,671
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
OPERATING INCOME (LOSS)	$ 3,899	$ --	$ 3,864	$ 4,765	$ (4,500)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
DEPRECIATION/AMORTIZATION	685	--	--	--	3,792
PROVISION FOR UNCOLLECTIBLE ACCOUNTS	--	--	--	--	--
OTHER	168	--	--	--	(7,586)
CHANGES IN ASSETS AND LIABILITIES:					
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	(245)	--	495	(65)	(198)
(INCREASE)DECREASE IN DUE FROM OTHER FUNDS	23	--	(221)	--	--
(INCREASE)DECREASE IN PREPAYMENTS	1	--	--	--	47
(INCREASE)DECREASE IN INVENTORIES	(8)	--	--	--	--
(INCREASE)DECREASE IN OTHER ASSETS	4	--	38,740	14,417	61
INCREASE(DECREASE) IN ACCOUNTS PAYABLE AND ACCRUALS	34	--	(83)	--	(317)
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	19	--	--	--	--
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	(23)	--	31	--	--
INCREASE(DECREASE) IN DEFERRED REVENUES	281	--	--	--	8
INCREASE(DECREASE) IN OPEB PAYABLE	922	--	--	--	--
INCREASE(DECREASE) IN OTHER LIABILITIES	209	--	--	--	(855)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 5,969	$ --	$ 42,826	$ 19,117	$ (9,548)

(Continued)

* The Louisiana Agricultural Finance Authority has been reclassified from a discretely presented component unit to an enterprise fund.

LOUISIANA FEDERAL PROPERTY ASSISTANCE AGENCY	LOUISIANA GULF OPPORTUNITY ZONE LOAN FUND	LOUISIANA PROPERTY ASSISTANCE AGENCY	LOUISIANA TRANSPORTATION AUTHORITY	PRISON ENTERPRISES	DONALD J. THIBODEAUX TRAINING COMPLEX	TOTAL NONMAJOR ENTERPRISE FUNDS
$ 1,963	$ 29,127	$ 6,091	$ 3,479	$ 28,940	$ 3,774	$ 248,433
--	--	--	--	--	--	1,714
--	--	128	--	--	--	1,755
(1,061)	--	(3,132)	(2)	(21,588)	(2,512)	(127,955)
(420)	--	(2,187)	--	(6,894)	(1,628)	(28,418)
--	(29,127)	--	--	--	--	(29,137)
--	--	--	--	--	--	(3,077)
482	--	900	3,477	458	(366)	63,315
--	--	--	--	--	--	17,845
--	--	--	--	--	--	(17,536)
--	--	--	--	--	--	(1)
--	--	--	--	--	--	588
--	--	--	--	--	--	17,221
--	--	--	--	--	--	(1,023)
--	--	--	--	--	--	17,094
--	--	--	--	--	--	7,749
--	--	--	(816)	(23)	--	(14,689)
--	--	--	(3,308)	--	--	(3,422)
--	--	(73)	--	(1,626)	(54)	(3,748)
--	--	7	--	445	--	452
--	--	--	--	--	--	40,285
--	--	(66)	(4,124)	(1,204)	(54)	26,627
--	--	--	(9,754)	--	--	(18,511)
--	--	--	10,230	--	--	18,941
2	--	15	181	11	--	274
2	--	15	657	11	--	704
484	--	849	10	(735)	(420)	107,740
956	--	7,510	326	3,842	475	352,316
1,440	$ --	$ 8,359	$ 336	$ 3,107	$ 55	$ 460,056
$ 303	$ --	$ 286	$ (6,442)	$ 1,573	$ (833)	$ 2,915
39	--	182	10,077	452	143	15,370
--	--	--	--	(10)	--	(10)
--	--	579	--	(931)	--	(7,770)
(12)	--	(159)	30	(247)	24	(377)
--	--	--	(443)	--	--	(641)
--	--	--	--	--	--	48
186	--	--	--	34	212	424
--	--	--	--	--	--	53,222
(16)	--	(62)	--	(774)	(238)	(1,456)
(2)	--	(25)	--	(10)	13	(5)
--	--	--	169	--	--	177
--	--	--	86	--	--	375
(16)	--	--	--	371	313	1,590
--	--	99	--	--	--	(547)
482	$ --	$ 900	$ 3,477	$ 458	$ (366)	$ 63,315

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

	2013
LOUISIANA AGRICULTURAL FINANCE AUTHORITY	
BORROWING UNDER CAPITAL LEASE	156
DISPOSAL OF FIXED ASSETS	148
LOUISIANA TRANSPORTATION AUTHORITY	
CONTRIBUTIONS OF FIXED ASSETS	3,351

(Concluded)

STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA OFFICE BUILDING CORPORATION
ASSETS			
CURRENT ASSETS:			
CASH AND CASH EQUIVALENTS	$ 1,338	$ 34	$ 473
INVESTMENTS	--	551	--
RESTRICTED INVESTMENTS	--	--	--
RECEIVABLES (NET)	431	--	--
INVENTORIES	299	--	--
PREPAYMENTS	--	--	--
OTHER CURRENT ASSETS	--	11	--
TOTAL CURRENT ASSETS	2,068	596	473
NONCURRENT ASSETS:			
RESTRICTED ASSETS			
INVESTMENTS	--	2,406	--
CAPITAL ASSETS (NOTE 5)			
LAND	--	--	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	365	--	--
OTHER NONCURRENT ASSETS	--	265	--
TOTAL NONCURRENT ASSETS	365	2,671	--
TOTAL ASSETS	$ 2,433	$ 3,267	$ 473
LIABILITIES			
CURRENT LIABILITIES:			
ACCOUNTS PAYABLE AND ACCRUALS	$ 213	$ --	$ --
DEFERRED REVENUES	--	--	--
OTHER CURRENT LIABILITIES	--	--	--
CURRENT PORTION OF LONG-TERM LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	23	--	--
NOTES PAYABLE	--	--	--
OTHER LONG-TERM LIABILITIES	--	294	--
TOTAL CURRENT LIABILITIES	236	294	--
NONCURRENT LIABILITIES:			
NONCURRENT PORTION OF LONG-TERM LIABILITIES:			
COMPENSATED ABSENCES PAYABLE	101	--	--
NOTES PAYABLE	--	--	--
OPEB PAYABLE	3,301	--	--
OTHER LONG-TERM LIABILITIES	--	364	--
TOTAL NONCURRENT LIABILITIES	3,402	364	--
TOTAL LIABILITIES	3,638	658	--
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	365	--	--
RESTRICTED FOR DEBT SERVICE	--	2,406	--
UNRESTRICTED	(1,570)	203	473
TOTAL NET POSITION	(1,205)	2,609	473
TOTAL LIABILITIES AND NET POSITION	$ 2,433	$ 3,267	$ 473

OFFICE FACILITIES CORPORATION	OFFICE OF AIRCRAFT SERVICES	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
$ 7,484	$ 595	$ 1,631	$ 11,555
40,659	--	--	41,210
16,162	--	--	16,162
2,389	196	4,425	7,441
--	98	--	397
29	--	--	29
92	--	--	103
66,815	889	6,056	76,897
9,231	--	--	11,637
301	--	--	301
8	5	1,088	1,466
4,984	--	--	5,249
14,524	5	1,088	18,653
$ 81,339	$ 894	$ 7,144	$ 95,550
$ 55	$ 37	$ 619	$ 924
281	--	--	281
--	--	--	--
--	--	23	46
--	--	183	183
10,155	--	--	10,449
10,491	37	825	11,883
--	29	294	424
--	--	170	170
--	225	5,504	9,030
48,740	--	--	49,104
48,740	254	5,968	58,728
59,231	291	6,793	70,611
309	5	735	1,414
25,393	--	--	27,799
(3,594)	598	(384)	(4,274)
22,108	603	351	24,939
$ 81,339	$ 894	$ 7,144	$ 95,550

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA OFFICE BUILDING CORPORATION
OPERATING REVENUES:			
SALES OF COMMODITIES AND SERVICES	$ 6,111	$ --	$ --
USE OF MONEY AND PROPERTY	--	--	--
TOTAL OPERATING REVENUES	6,111	--	--
OPERATING EXPENSES:			
COST OF SALES AND SERVICES	3,514	--	--
ADMINISTRATIVE	3,280	248	--
DEPRECIATION	82	--	--
AMORTIZATION	--	33	--
TOTAL OPERATING EXPENSES	6,876	281	--
OPERATING INCOME (LOSS)	(765)	(281)	--
NONOPERATING REVENUES (EXPENSES):			
USE OF MONEY AND PROPERTY	3	--	--
INTEREST EXPENSE	--	(634)	--
OTHER REVENUES	198	721	--
TOTAL NONOPERATING REVENUES (EXPENSES)	201	87	--
INCOME (LOSS) BEFORE TRANSFERS	(564)	(194)	--
TRANSFERS OUT	--	--	--
CHANGE IN NET POSITION	(564)	(194)	--
TOTAL NET POSITION - BEGINNING	(641)	2,803	473
TOTAL NET POSITION - ENDING	$ (1,205)	$ 2,609	$ 473

OFFICE FACILITIES CORPORATION	OFFICE OF AIRCRAFT SERVICES	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
$ --	$ 1,157	$ 44,187	$ 51,455
30,683	--	--	30,683
30,683	1,157	44,187	82,138
--	745	36,309	40,568
28,480	438	8,103	40,549
24	--	397	503
103	--	--	136
28,607	1,183	44,809	81,756
2,076	(26)	(622)	382
10,058	1	2	10,064
(7,854)	--	(2)	(8,490)
--	--	--	919
2,204	1	--	2,493
4,280	(25)	(622)	2,875
(15,000)	--	--	(15,000)
(10,720)	(25)	(622)	(12,125)
32,828	628	973	37,064
$ 22,108	$ 603	$ 351	$ 24,939

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	ADMINISTRATIVE SERVICES	LOUISIANA CORRECTIONAL FACILITIES CORPORATION	LOUISIANA OFFICE BUILDING CORPORATION
CASH FLOWS FROM OPERATING ACTIVITIES:			
CASH RECEIPTS FROM CUSTOMERS	$ 6,204	$ --	$ --
CASH PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(4,361)	(248)	--
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(2,242)	--	--
OTHER OPERATING CASH PAYMENTS	198	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(201)	(248)	--
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
STATE APPROPRIATIONS	--	2,501	--
TRANSFERS OUT	--	--	--
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	--	2,501	--
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
PROCEEDS FROM ISSUANCE OF BONDS AND NOTES	--	--	--
PRINCIPAL PAID ON BONDS AND NOTES	--	(1,780)	--
INTEREST PAID ON BONDS AND NOTES	--	(721)	--
ACQUISITION/CONSTRUCTION OF CAPITAL ASSETS	(105)	--	--
DEFERRED PROCEEDS FROM CAPITAL LEASES	--	--	--
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(105)	(2,501)	--
CASH FLOWS FROM INVESTING ACTIVITIES:			
PURCHASE OF INVESTMENT SECURITIES	--	(4,669)	--
PROCEEDS FROM SALE OF INVESTMENT SECURITIES	--	4,917	--
INTEREST AND DIVIDENDS EARNED ON INVESTMENT SECURITIES	3	--	--
NET CASH PROVIDED BY INVESTING ACTIVITIES	3	248	--
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(303)	--	--
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,641	34	473
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 1,338	$ 34	$ 473
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS)	$ (765)	$ (281)	$ --
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
DEPRECIATION/AMORTIZATION	82	33	--
OTHER	198	--	--
CHANGES IN ASSETS AND LIABILITIES:			
(INCREASE)DECREASE IN ACCOUNTS RECEIVABLE	93	--	--
(INCREASE)DECREASE IN INVENTORIES	(8)	--	--
INCREASE(DECREASE) IN ACCOUNTS PAYABLE AND ACCRUALS	10	--	--
INCREASE(DECREASE) IN COMPENSATED ABSENCES PAYABLE	(45)	--	--
INCREASE(DECREASE) IN DUE TO OTHER FUNDS	--	--	--
INCREASE(DECREASE) IN DEFERRED REVENUES	--	--	--
INCREASE(DECREASE) IN OPEB PAYABLE	234	--	--
INCREASE(DECREASE) IN OTHER LIABILITIES	--	--	--
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (201)	$ (248)	$ --

(Concluded)

OFFICE FACILITIES CORPORATION	OFFICE OF AIRCRAFT SERVICES	OFFICE OF TELECOMMUNICATIONS MANAGEMENT	TOTAL INTERNAL SERVICE FUNDS
$ 30,807	$ 1,642	$ 43,987	$ 82,640
(39,039)	(1,047)	(36,446)	(81,141)
--	(298)	(7,829)	(10,369)
--	--	--	198
(8,232)	297	(288)	(8,672)
--	--	--	2,501
(15,000)	--	--	(15,000)
(15,000)	--	--	(12,499)
--	--	161	161
(20,559)	--	(243)	(22,582)
(8,179)	--	(2)	(8,902)
--	(5)	(357)	(467)
28,738	--	--	28,738
--	(5)	(441)	(3,052)
30,260	--	--	25,591
--	--	--	4,917
406	1	2	412
30,666	1	2	30,920
7,434	293	(727)	6,697
50	302	2,358	4,858
$ 7,484	$ 595	$ 1,631	$ 11,555
$ 2,076	$ (26)	$ (622)	$ 382
127	--	397	639
(337)	--	--	(139)
665	485	(200)	1,043
--	(5)	--	(13)
4	(180)	(183)	(349)
--	--	(57)	(102)
--	--	(4)	(4)
(53)	--	--	(53)
--	23	381	638
(10,714)	--	--	(10,714)
$ (8,232)	$ 297	$ (288)	$ (8,672)

COMBINING STATEMENT OF FIDUCIARY NET POSITION

PENSION TRUST FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2013
ASSETS					
CASH AND CASH EQUIVALENTS	$ 44,386	$ 62,005	$ 72	$ 199,800	$ 306,263
RECEIVABLES:					
EMPLOYER CONTRIBUTIONS	13,376	42,152	2,383	148,947	206,858
MEMBER CONTRIBUTIONS	2,745	12,926	262	55,940	71,873
INVESTMENT PROCEEDS	22,728	22,041	--	1,176,408	1,221,177
INTEREST AND DIVIDENDS	4,315	25,925	408	35,716	66,364
OTHER	137	3,056	1	17,460	20,654
TOTAL RECEIVABLES	43,301	106,100	3,054	1,434,471	1,586,926
INVESTMENTS (AT FAIR VALUE):					
SHORT TERM INVESTMENTS	26,572	310,972	15,524	1,005,979	1,359,047
U. S. GOVERNMENT AND AGENCY OBLIGATIONS	97,706	103,066	10,151	849,361	1,060,284
BONDS - DOMESTIC	136,121	838,013	94,372	762,050	1,830,556
BONDS - INTERNATIONAL	112,246	313,875	--	1,162,849	1,588,970
MARKETABLE SECURITIES - DOMESTIC	728,287	2,929,818	231,238	4,322,095	8,211,438
MARKETABLE SECURITIES - INTERNATIONAL	249,364	2,430,092	35,408	3,148,692	5,863,556
ALTERNATIVE INVESTMENTS	231,097	2,903,993	131,499	3,927,445	7,194,034
COLLATERAL HELD UNDER SECURITIES LENDING PROGRAM	122,506	963,416	31,398	1,972,977	3,090,297
OTHER	1,993	15	--	--	2,008
INVESTMENTS (AT CONTRACT VALUE):					
SYNTHETIC GUARANTEED INVESTMENT CONTRACT	--	399,101	--	--	399,101
TOTAL INVESTMENTS	1,705,892	11,192,361	549,590	17,151,448	30,599,291
PROPERTY, PLANT AND EQUIPMENT:					
LAND	1,010	858	533	858	3,259
BUILDINGS AND IMPROVEMENTS	3,633	5,945	800	5,960	16,338
FURNITURE AND EQUIPMENT	359	2,769	170	4,787	8,085
INTANGIBLE ASSETS	300	10,887	--	--	11,187
LESS ACCUMULATED DEPRECIATION AND AMORTIZATION	(1,821)	(14,085)	(162)	(7,578)	(23,646)
TOTAL PROPERTY, PLANT AND EQUIPMENT	3,481	6,374	1,341	4,027	15,223
TOTAL ASSETS	1,797,060	11,366,840	554,057	18,789,746	32,507,703
LIABILITIES					
ACCOUNTS PAYABLE	1,150	20,060	948	9,023	31,181
INVESTMENT COMMITMENTS PAYABLE	29,344	40,181	236	1,296,799	1,366,560
OBLIGATIONS UNDER SECURITIES LENDING PROGRAM	122,506	971,486	31,398	1,972,976	3,098,366
OPEB PAYABLE	2,730	7,515	344	10,102	20,691
REFUNDS PAYABLE AND OTHER	165	--	--	10,609	10,774
TOTAL LIABILITIES	155,895	1,039,242	32,926	3,299,509	4,527,572
NET POSITION HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS	$ 1,641,165	$ 10,327,598	$ 521,131	$ 15,490,237	$ 27,980,131

(Schedule of Funding Progress - Note 6)

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

PENSION TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	LOUISIANA SCHOOL EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE EMPLOYEES' RETIREMENT SYSTEM	LOUISIANA STATE POLICE RETIREMENT SYSTEM	TEACHERS' RETIREMENT SYSTEM OF LOUISIANA	TOTAL JUNE 30, 2013
ADDITIONS					
CONTRIBUTIONS:					
EMPLOYER	$ 88,165	$ 649,030	$ 42,637	$ 984,466	$ 1,764,298
MEMBERS	20,830	173,358	4,724	327,768	526,680
TOTAL CONTRIBUTIONS	108,995	822,388	47,361	1,312,234	2,290,978
INVESTMENT INCOME:					
NET INCREASE IN FAIR VALUE OF INVESTMENTS	171,956	740,571	58,154	1,423,982	2,394,663
INTEREST AND DIVIDENDS	30,875	198,688	6,364	300,790	536,717
ALTERNATIVE INVESTMENT INCOME	3,824	216,648	--	88,785	309,257
LESS ALTERNATIVE INVESTMENT EXPENSES	--	(33,398)	--	(32,401)	(65,799)
SECURITIES LENDING INCOME	747	5,805	191	8,979	15,722
LESS SECURITIES LENDING EXPENSES	--	--	(72)	(1,344)	(1,416)
OTHER INVESTMENT INCOME (LOSS)	(4,367)	3,068	--	15	(1,284)
LESS INVESTMENT EXPENSE OTHER THAN ALTERNATIVE INVESTMENTS AND SECURITIES LENDING	(4,697)	(24,888)	(1,357)	(37,871)	(68,813)
NET INVESTMENT INCOME	198,338	1,106,494	63,280	1,750,935	3,119,047
OTHER INCOME	--	33,807	1,272	115,065	150,144
TOTAL ADDITIONS	307,333	1,962,689	111,913	3,178,234	5,560,169
DEDUCTIONS					
RETIREMENT BENEFITS	154,135	1,070,411	41,112	1,800,167	3,065,825
REFUNDS OF CONTRIBUTIONS	4,371	61,522	372	59,713	125,978
ADMINISTRATIVE EXPENSES	4,405	16,890	543	16,724	38,562
DEPRECIATION AND AMORTIZATION EXPENSES	121	2,042	31	377	2,571
OTHER	245	--	382	--	627
TOTAL DEDUCTIONS	163,277	1,150,865	42,440	1,876,981	3,233,563
CHANGE IN NET POSITION	144,056	811,824	69,473	1,301,253	2,326,606
NET POSITION HELD IN TRUST FOR EMPLOYEES' PENSION BENEFITS					
BEGINNING OF YEAR	1,497,109	9,515,774	451,658	14,188,984	25,653,525
END OF YEAR	$ 1,641,165	$ 10,327,598	$ 521,131	$ 15,490,237	$ 27,980,131

COMBINING STATEMENT OF FIDUCIARY NET POSITION

INVESTMENT TRUST FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	EDUCATION EXCELLENCE LOCAL GOVERNMENT INVESTMENT TRUST FUND	LOUISIANA ASSET MANAGEMENT POOL *	PATIENT'S COMPENSATION BOARD INVESTMENT TRUST FUND	TOTAL JUNE 30, 2013
ASSETS				
CASH AND CASH EQUIVALENTS	$ 35,376	$ 7,094	$ 346,701	$ 389,171
RECEIVABLES:				
INTEREST AND DIVIDENDS	59	353	426	838
OTHER	214	--	--	214
TOTAL RECEIVABLES	273	353	426	1,052
INVESTMENTS (AT FAIR VALUE):				
SHORT TERM INVESTMENTS	--	831,551	--	831,551
U. S. GOVERNMENT AND AGENCY OBLIGATIONS	16,538	529,909	2,004	548,451
BONDS - DOMESTIC	--	--	10,004	10,004
BONDS - INTERNATIONAL	--	--	6,003	6,003
MARKETABLE SECURITIES - DOMESTIC	10,280	--	424,820	435,100
MARKETABLE SECURITIES - INTERNATIONAL	--	--	3,242	3,242
REPURCHASE AGREEMENTS	--	390,858	--	390,858
TOTAL INVESTMENTS	26,818	1,752,318	446,073	2,225,209
OTHER ASSETS	--	9	--	9
PROPERTY, PLANT AND EQUIPMENT:				
FURNITURE AND EQUIPMENT	--	119	--	119
LESS ACCUMULATED DEPRECIATION	--	(83)	--	(83)
TOTAL PROPERTY, PLANT AND EQUIPMENT	--	36	--	36
TOTAL ASSETS	62,467	1,759,810	793,200	2,615,477
LIABILITIES				
ACCOUNTS PAYABLE	16	140	--	156
REFUNDS PAYABLE AND OTHER	--	53	--	53
TOTAL LIABILITIES	16	193	--	209
NET POSITION HELD IN TRUST FOR INVESTMENT POOL PARTICIPANTS	$ 62,451	$ 1,759,617	$ 793,200	$ 2,615,268

* For the period ending December 31, 2012.

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

INVESTMENT TRUST FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	EDUCATION EXCELLENCE LOCAL GOVERNMENT INVESTMENT TRUST FUND	LOUISIANA ASSET MANAGEMENT POOL *	PATIENT'S COMPENSATION BOARD INVESTMENT TRUST FUND	TOTAL JUNE 30, 2013
ADDITIONS				
CONTRIBUTIONS:				
POOL PARTICIPANTS (DEPOSITS)	$ 14,203	$ 1,586,632	$ 37,399	$ 1,638,234
TOTAL CONTRIBUTIONS	14,203	1,586,632	37,399	1,638,234
INVESTMENT INCOME:				
NET INCREASE (DECREASE) IN FAIR VALUE OF INVESTMENTS	(659)	215	(16,806)	(17,250)
INTEREST AND DIVIDENDS	549	3,004	12,724	16,277
GAIN ON SALE OF INVESTMENT	--	51	--	51
OTHER INVESTMENT INCOME	--	1,492	--	1,492
NET INVESTMENT INCOME (LOSS)	(110)	4,762	(4,082)	570
TOTAL ADDITIONS	14,093	1,591,394	33,317	1,638,804
DEDUCTIONS				
ADMINISTRATIVE EXPENSES	264	2,159	--	2,423
DISTRIBUTIONS TO POOL PARTICIPANTS	18,796	1,609,150	--	1,627,946
TOTAL DEDUCTIONS	19,060	1,611,309	--	1,630,369
CHANGE IN NET POSITION	(4,967)	(19,915)	33,317	8,435
NET POSITION HELD IN TRUST FOR INVESTMENT POOL PARTICIPANTS				
BEGINNING OF YEAR	67,418	1,779,532	759,883	2,606,833
END OF YEAR	$ 62,451	$ 1,759,617	$ 793,200	$ 2,615,268

* For the period ending December 31, 2012.

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	DEBT SERVICE RESERVE FUND	ESCROW FUND	FREE SCHOOL FUND	FUTURE MEDICAL CARE FUND	INSURANCE TRUSTS
ASSETS					
CASH AND CASH EQUIVALENTS	$ 3,602	$ 326,916	$ 5,010	$ 9,058	$ 1,662
INVESTMENTS	--	160,837	24,637	--	16,942
RECEIVABLES	--	134,377	609	--	1,926
OTHER ASSETS	--	--	--	--	49
TOTAL ASSETS	$ 3,602	$ 622,130	$ 30,256	$ 9,058	$ 20,579
LIABILITIES					
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 3,566	$ 445,325	$ 29,828	$ 9,058	$ 20,465
OTHER LIABILITIES	36	176,805	428	--	114
TOTAL LIABILITIES	$ 3,602	$ 622,130	$ 30,256	$ 9,058	$ 20,579

	MISCEL-LANEOUS AGENCY FUNDS	NON-STATE ENTITIES OPEB	PARISH ROYALTY FUND	PAYROLL CLEARING FUND	TOTAL JUNE 30, 2013
ASSETS					
CASH AND CASH EQUIVALENTS	$ 16,762	$ 34,943	$ 18,692	$ 80,866	$ 497,511
INVESTMENTS	--	--	--	--	202,416
RECEIVABLES	--	4,550	6,469	--	147,931
OTHER ASSETS	--	--	--	--	49
TOTAL ASSETS	$ 16,762	$ 39,493	$ 25,161	$ 80,866	$ 847,907
LIABILITIES					
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 16,762	$ 20,519	$ 25,161	$ 80,866	$ 651,550
OTHER LIABILITIES	--	18,974	--	--	196,357
TOTAL LIABILITIES	$ 16,762	$ 39,493	$ 25,161	$ 80,866	$ 847,907

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2012	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2013
DEBT SERVICE RESERVE FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 3,602	$ --	$ --	$ 3,602
TOTAL ASSETS	$ 3,602	$ --	$ --	$ 3,602
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 3,602	$ --	$ 36	$ 3,566
OTHER LIABILITIES	--	36	--	36
TOTAL LIABILITIES	$ 3,602	$ 36	$ 36	$ 3,602
ESCROW FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 329,634	$ 1,285,278	$ 1,287,996	$ 326,916
INVESTMENTS	123,461	37,376	--	160,837
RECEIVABLES	137,382	134,377	137,382	134,377
TOTAL ASSETS	$ 590,477	$ 1,457,031	$ 1,425,378	$ 622,130
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 429,235	$ 1,319,648	$ 1,303,558	$ 445,325
OTHER LIABILITIES	161,242	176,805	161,242	176,805
TOTAL LIABILITIES	$ 590,477	$ 1,496,453	$ 1,464,800	$ 622,130
FREE SCHOOL FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 4,109	$ 3,145	$ 2,244	$ 5,010
INVESTMENTS	25,695	833	1,891	24,637
RECEIVABLES	567	347	305	609
TOTAL ASSETS	$ 30,371	$ 4,325	$ 4,440	$ 30,256
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 29,802	$ 2,118	$ 2,092	$ 29,828
OTHER LIABILITIES	569	428	569	428
TOTAL LIABILITIES	$ 30,371	$ 2,546	$ 2,661	$ 30,256

(Continued)

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2012	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2013
FUTURE MEDICAL CARE FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 10,022	$ 20	$ 984	$ 9,058
TOTAL ASSETS	$ 10,022	$ 20	$ 984	$ 9,058
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 10,022	$ 20	$ 984	$ 9,058
TOTAL LIABILITIES	$ 10,022	$ 20	$ 984	$ 9,058
INSURANCE TRUSTS				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 1,154	$ 7,540	$ 7,032	$ 1,662
INVESTMENTS	23,872	206	7,136	16,942
RECEIVABLES	2,109	5,152	5,335	1,926
OTHER ASSETS	697	25	673	49
TOTAL ASSETS	$ 27,832	$ 12,923	$ 20,176	$ 20,579
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 27,694	$ 12,809	$ 20,038	$ 20,465
OTHER LIABILITIES	138	114	138	114
TOTAL LIABILITIES	$ 27,832	$ 12,923	$ 20,176	$ 20,579
MISCELLANEOUS AGENCY FUNDS				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 18,158	$ 70,578	$ 71,974	$ 16,762
TOTAL ASSETS	$ 18,158	$ 70,578	$ 71,974	$ 16,762
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 18,158	$ 70,578	$ 71,974	$ 16,762
TOTAL LIABILITIES	$ 18,158	$ 70,578	$ 71,974	$ 16,762
NON-STATE ENTITIES OPEB				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 48,129	$ 186,278	$ 199,464	$ 34,943
RECEIVABLES	6,440	184,388	186,278	4,550
TOTAL ASSETS	$ 54,569	$ 370,666	$ 385,742	$ 39,493
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 36,951	$ 184,388	$ 200,820	$ 20,519
OTHER LIABILITIES	17,618	200,820	199,464	18,974
TOTAL LIABILITIES	$ 54,569	$ 385,208	$ 400,284	$ 39,493

(Continued)

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	BALANCE JULY 1, 2012	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2013
PARISH ROYALTY FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 18,277	$ 52,568	$ 52,153	$ 18,692
RECEIVABLES	4,986	10,193	8,710	6,469
TOTAL ASSETS	$ 23,263	$ 62,761	$ 60,863	$ 25,161
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 23,263	$ 54,050	$ 52,152	$ 25,161
TOTAL LIABILITIES	$ 23,263	$ 54,050	$ 52,152	$ 25,161
PAYROLL CLEARING FUND				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 105,384	$ 2,624,205	$ 2,648,723	$ 80,866
TOTAL ASSETS	$ 105,384	$ 2,624,205	$ 2,648,723	$ 80,866
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 105,384	$ 2,624,205	$ 2,648,723	$ 80,866
TOTAL LIABILITIES	$ 105,384	$ 2,624,205	$ 2,648,723	$ 80,866
TOTAL ALL AGENCY FUNDS				
ASSETS:				
CASH AND CASH EQUIVALENTS	$ 538,469	$ 4,229,612	$ 4,270,570	$ 497,511
INVESTMENTS	173,028	38,415	9,027	202,416
RECEIVABLES	151,484	334,457	338,010	147,931
OTHER ASSETS	697	25	673	49
TOTAL ASSETS	$ 863,678	$ 4,602,509	$ 4,618,280	$ 847,907
LIABILITIES:				
AMOUNTS HELD IN CUSTODY FOR OTHERS	$ 684,111	$ 4,267,816	$ 4,300,377	$ 651,550
OTHER LIABILITIES	179,567	378,203	361,413	196,357
TOTAL LIABILITIES	$ 863,678	$ 4,646,019	$ 4,661,790	$ 847,907

(Concluded)

COMBINING STATEMENT OF NET POSITION

NONMAJOR COMPONENT UNITS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	ACADIANA AREA HUMAN SERVICES DISTRICT	BOARDS AND COMMISSIONS	CAPITAL AREA HUMAN SERVICES DISTRICT	FLORIDA PARISHES HUMAN SERVICES AUTHORITY	FOUNDATION FOR EXCELLENCE IN LOUISIANA PUBLIC BROADCASTING
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ 1,506	$ 4,102	$ 3,295	$ 932	$ 4,478
RESTRICTED CASH AND CASH EQUIVALENTS	--	--	--	--	--
INVESTMENTS	--	14,593	--	--	23,162
RESTRICTED INVESTMENTS	--	--	--	--	3,159
RECEIVABLES (NET)	527	152	696	854	456
AMOUNTS DUE FROM PRIMARY GOVERNMENT	1,897	--	418	684	56
DUE FROM FEDERAL GOVERNMENT	--	--	--	21	--
INVENTORIES	447	--	--	80	--
PREPAYMENTS	6	3	17	7	156
NOTES RECEIVABLE	--	--	--	--	--
OTHER CURRENT ASSETS	--	--	--	22	--
TOTAL CURRENT ASSETS	4,383	18,850	4,426	2,600	31,467
NONCURRENT ASSETS:					
RESTRICTED ASSETS:					
CASH	--	--	--	--	--
INVESTMENTS	--	--	--	--	--
RECEIVABLES (NET)	--	--	--	--	--
NOTES RECEIVABLE	--	--	--	--	--
INVESTMENTS	--	12,131	--	--	--
CAPITAL ASSETS (NOTE 5)					
LAND	--	352	--	--	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	--	520	--	--	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	19	129	241	285	--
INFRASTRUCTURE (NET OF DEPRECIATION)	--	--	--	--	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	--	--	--	--	--
CONSTRUCTION IN PROGRESS	--	--	--	--	--
OTHER NONCURRENT ASSETS	--	--	--	--	--
TOTAL NONCURRENT ASSETS	19	13,132	241	285	--
TOTAL ASSETS	$ 4,402	$ 31,982	$ 4,667	$ 2,885	$ 31,467
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 571	$ 426	$ 1,353	$ 1,085	$ 34
AMOUNTS DUE TO PRIMARY GOVERNMENT	3,000	--	14	1	21
DUE TO FEDERAL GOVERNMENT	--	--	--	--	--
DEFERRED REVENUES	--	1,625	--	--	255
OTHER CURRENT LIABILITIES	--	--	--	--	--
CURRENT PORTION OF LONG-TERM LIABILITIES:					
CONTRACTS PAYABLE	--	--	--	--	--
COMPENSATED ABSENCES PAYABLE	417	59	794	400	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--
ESTIMATED LIABILITY FOR CLAIMS	--	--	--	--	--
NOTES PAYABLE	--	--	--	--	--
BONDS PAYABLE	--	--	--	--	--
OTHER LONG-TERM LIABILITIES	--	--	--	19	--
TOTAL CURRENT LIABILITIES	3,988	2,110	2,161	1,505	310
LONG-TERM LIABILITIES:					
NONCURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	229	157	533	397	--
CAPITAL LEASE OBLIGATIONS	--	--	--	--	--
ESTIMATED LIABILITY FOR CLAIMS	--	--	--	--	--
NOTES PAYABLE	--	--	--	--	--
BONDS PAYABLE	--	--	--	--	--
OPEB PAYABLE	688	2,052	14,329	7,866	--
POLLUTION REMEDIATION OBLIGATIONS	--	--	--	--	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--
TOTAL LONG-TERM LIABILITIES	917	2,209	14,862	8,263	--
TOTAL LIABILITIES	4,905	4,319	17,023	9,768	310
NET POSITION:					
NET INVESTMENT IN CAPITAL ASSETS	19	1,001	241	285	--
RESTRICTED FOR:					
CAPITAL PROJECTS	--	--	--	--	--
DEBT SERVICE	--	--	--	--	--
OTHER PURPOSES	--	--	--	--	3,159
UNRESTRICTED	(522)	26,662	(12,597)	(7,168)	27,998
TOTAL NET POSITION	(503)	27,663	(12,356)	(6,883)	31,157
TOTAL LIABILITIES AND NET POSITION	$ 4,402	$ 31,982	$ 4,667	$ 2,885	$ 31,467

* As of October 31, 2012.
** As of December 31, 2012.

(Continued)

GREATER BATON ROUGE PORT COMMISSION **	GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	JEFFERSON PARISH HUMAN SERVICES AUTHORITY	LOUISIANA CANCER RESEARCH CENTER	LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION	LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	LOUISIANA HOUSING CORPORATION	LOUISIANA PUBLIC FACILITIES AUTHORITY **
$ 5,429	$ 8,760	$ 9,992	$ 17,556	$ 80,453	$ 16,648	$ 1,011	$ 10,260
--	--	--	--	--	--	--	--
9,537	845	--	8,978	--	--	44,615	6,223
--	--	--	--	--	--	--	--
1,542	296	1,050	4,412	63,533	1,931	312	2,577
--	--	558	99	--	--	--	--
--	--	--	--	--	--	2,139	--
--	910	54	--	--	--	--	--
56	526	--	217	18,664	--	--	10
--	--	--	--	--	935	1,156	--
--	--	--	52	2,881	26,824	958	--
16,564	11,337	11,654	31,314	165,531	46,338	50,191	19,070
--	19,250	--	--	2,854	--	20,684	--
740	6,935	--	--	145,606	--	7,212	--
--	5,656	--	--	--	--	47,182	3,799
--	--	--	--	--	1,428	127,089	--
--	--	--	2,185	12,498	29,161	--	15,839
11,203	--	--	672	--	--	712	--
30,285	3,048	6,915	82,945	--	--	96,081	--
3,195	2,768	218	3,607	338	--	792	33
7,448	102,541	--	--	--	--	--	--
--	--	--	--	401	--	--	--
10,483	--	--	--	--	--	62	--
102	1,313	--	--	14,191	7,145	--	--
63,456	141,511	7,133	89,409	175,888	37,734	299,814	19,671
$ 80,020	$ 152,848	$ 18,787	$ 120,723	$ 341,419	$ 84,072	$ 350,005	$ 38,741
$ 615	$ 3,091	$ 789	$ 2,953	$ 10,993	$ 802	$ 750	$ 155
--	--	--	--	--	--	--	--
--	--	--	--	--	--	77	--
1,035	1,046	--	--	99,535	8,015	6,542	--
341	--	--	--	6,699	--	11,100	--
534	--	--	--	--	--	--	--
118	--	--	--	113	25	955	--
--	--	--	--	--	--	--	--
--	--	--	--	108,797	--	--	--
--	--	--	--	--	--	13,714	--
520	2,397	--	--	45,141	--	781	--
--	--	--	--	--	1,088	--	277
3,163	6,534	789	2,953	271,278	9,930	33,919	432
152	1,382	790	--	--	--	--	--
--	--	--	--	--	--	--	--
--	1,744	--	--	5,000	--	1,000	--
--	--	--	--	--	--	--	--
3,815	49,087	--	--	789,694	--	12,711	--
2,324	3,919	9,736	--	1,586	--	5,723	--
50	--	--	--	--	--	--	--
--	1,222	--	--	2,854	--	--	--
6,341	57,354	10,526	--	799,134	--	19,434	--
9,504	63,888	11,315	2,953	1,070,412	9,930	53,353	432
58,278	56,874	7,133	87,224	739	--	94,448	33
--	14,759	--	--	--	--	--	--
95	16,094	--	--	269,939	--	--	--
--	--	--	28,084	--	--	161,885	--
12,143	1,233	339	2,462	(999,671)	74,142	40,319	38,276
70,516	88,960	7,472	117,770	(728,993)	74,142	296,652	38,309
$ 80,020	$ 152,848	$ 18,787	$ 120,723	$ 341,419	$ 84,072	$ 350,005	$ 38,741

COMBINING STATEMENT OF NET POSITION

NONMAJOR COMPONENT UNITS

JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

	LOUISIANA UTILITIES RESTORATION CORPORATION	METROPOLITAN HUMAN SERVICES DISTRICT	ERNEST N. MORIAL EXHIBITION HALL AUTHORITY	OTHER LEVEE DISTRICTS	OUACHITA EXPRESSWAY AUTHORITY
ASSETS					
CURRENT ASSETS:					
CASH AND CASH EQUIVALENTS	$ --	$ 4,283	$ 124,038	$ 35,832	$ 4
RESTRICTED CASH AND CASH EQUIVALENTS	100,769	--	17,471	28	--
INVESTMENTS	--	--	55,744	58,984	--
RESTRICTED INVESTMENTS	--	--	23,281	--	--
RECEIVABLES (NET)	13,973	399	20,609	9,259	--
AMOUNTS DUE FROM PRIMARY GOVERNMENT	--	1,424	--	513	--
DUE FROM FEDERAL GOVERNMENT	--	585	--	--	--
INVENTORIES	--	620	--	24	--
PREPAYMENTS	--	14	737	392	--
NOTES RECEIVABLE	--	--	--	13	--
OTHER CURRENT ASSETS	--	--	1,310	14	--
TOTAL CURRENT ASSETS	114,742	7,325	243,190	105,059	4
NONCURRENT ASSETS:					
RESTRICTED ASSETS:					
CASH	--	--	--	9,000	--
INVESTMENTS	--	--	--	14,000	--
RECEIVABLES (NET)	--	--	--	--	--
NOTES RECEIVABLE	--	--	--	--	--
INVESTMENTS	--	--	--	11,564	--
CAPITAL ASSETS (NOTE 5)					
LAND	--	--	76,576	9,764	--
BUILDINGS AND IMPROVEMENTS (NET OF DEPRECIATION)	--	--	254,391	7,102	--
MACHINERY AND EQUIPMENT (NET OF DEPRECIATION)	--	342	6,052	11,058	--
INFRASTRUCTURE (NET OF DEPRECIATION)	--	--	3,478	77,632	--
INTANGIBLE ASSETS (NET OF AMORTIZATION)	--	--	517	--	--
CONSTRUCTION IN PROGRESS	--	--	54,283	--	--
OTHER NONCURRENT ASSETS	5,697	--	--	1,506	--
TOTAL NONCURRENT ASSETS	5,697	342	395,297	141,626	--
TOTAL ASSETS	$ 120,439	$ 7,667	$ 638,487	$ 246,685	$ 4
LIABILITIES					
CURRENT LIABILITIES:					
ACCOUNTS PAYABLE AND ACCRUALS	$ 23,273	$ 1,841	$ 27,307	$ 2,038	$ --
AMOUNTS DUE TO PRIMARY GOVERNMENT	--	769	--	6	--
DUE TO FEDERAL GOVERNMENT	--	--	--	--	--
DEFERRED REVENUES	--	--	3,714	428	--
OTHER CURRENT LIABILITIES	--	--	166	266	--
CURRENT PORTION OF LONG-TERM LIABILITIES:					
CONTRACTS PAYABLE	--	--	4,772	2,033	--
COMPENSATED ABSENCES PAYABLE	--	481	406	78	--
CAPITAL LEASE OBLIGATIONS	--	--	--	96	--
ESTIMATED LIABILITY FOR CLAIMS	--	--	--	--	--
NOTES PAYABLE	--	--	1,409	--	--
BONDS PAYABLE	151,938	--	8,540	835	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--
TOTAL CURRENT LIABILITIES	175,211	3,091	46,314	5,780	--
LONG-TERM LIABILITIES:					
NONCURRENT PORTION OF LONG-TERM LIABILITIES:					
COMPENSATED ABSENCES PAYABLE	--	165	453	1,095	--
CAPITAL LEASE OBLIGATIONS	--	--	--	137	--
ESTIMATED LIABILITY FOR CLAIMS	--	--	--	1,793	--
NOTES PAYABLE	--	--	25,528	--	--
BONDS PAYABLE	1,033,932	--	133,834	7,755	--
OPEB PAYABLE	--	6,107	--	14,715	--
POLLUTION REMEDIATION OBLIGATIONS	--	--	--	--	--
OTHER LONG-TERM LIABILITIES	--	--	--	--	--
TOTAL LONG-TERM LIABILITIES	1,033,932	6,272	159,815	25,495	--
TOTAL LIABILITIES	1,209,143	9,363	206,129	31,275	--
NET POSITION:					
NET INVESTMENT IN CAPITAL ASSETS	--	342	225,986	101,732	--
RESTRICTED FOR:					
CAPITAL PROJECTS	--	--	14,808	3,089	--
DEBT SERVICE	--	--	20,456	--	--
OTHER PURPOSES	--	--	--	--	--
UNRESTRICTED	(1,088,704)	(2,038)	171,108	110,589	4
TOTAL NET POSITION	(1,088,704)	(1,696)	432,358	215,410	4
TOTAL LIABILITIES AND NET POSITION	$ 120,439	$ 7,667	$ 638,487	$ 246,685	$ 4

* As of October 31, 2012.
** As of December 31, 2012.

(Concluded)

ROAD HOME CORPORATION	SABINE RIVER AUTHORITY	SOUTH CENTRAL LOUISIANA HUMAN SERVICES AUTHORITY	SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY- EAST AND WEST	TOTAL NONMAJOR COMPONENT UNITS
$ 217	$ 5,299	$ 1,198	$ 113,670	$ 448,963
--	8,047	--	4,246	130,561
--	2,002	--	33,338	258,021
--	951	--	--	27,391
1,870	995	207	132	125,782
--	--	1,920	7,779	15,348
--	--	--	--	2,745
--	--	317	524	2,976
107	--	10	--	20,922
--	--	--	--	2,104
--	--	--	1,463	33,524
2,194	17,294	3,652	161,152	1,068,337
--	--	--	--	51,788
--	--	--	--	174,493
--	--	--	--	56,637
--	--	--	--	128,517
--	--	--	--	83,378
19,595	1,430	--	41,891	162,195
641	28,556	--	58,103	568,587
37	1,223	338	4,678	35,353
--	17,947	--	94,582	303,628
--	4,954	--	--	5,872
--	4,192	--	46,877	115,897
202	91	--	--	30,247
20,475	58,393	338	246,131	1,716,592
$ 22,669	$ 75,687	$ 3,990	$ 407,283	$ 2,784,929
$ 2,638	$ 400	$ 1,606	$ 1,232	$ 83,952
--	--	22	548	4,381
--	--	--	2,192	2,269
--	368	--	--	122,563
19	--	--	--	18,591
--	--	--	3,841	11,180
--	219	372	357	4,794
--	--	--	--	96
--	--	--	--	108,797
--	--	--	--	15,123
--	1,887	--	--	212,039
--	--	--	8	1,392
2,657	2,874	2,000	8,178	585,177
111	--	456	1,059	6,979
--	--	--	--	137
--	--	--	21,183	30,720
--	--	--	26,126	51,654
--	8,232	--	--	2,039,060
--	2,444	2,621	10,779	84,889
--	--	--	--	50
--	--	--	3,081	7,157
111	10,676	3,077	62,228	2,220,646
2,768	13,550	5,077	70,406	2,805,823
20,273	48,183	338	246,131	949,260
--	--	--	500	33,156
--	290	--	2,054	308,928
--	--	--	2,192	195,320
(372)	13,664	(1,425)	86,000	(1,507,558)
19,901	62,137	(1,087)	336,877	(20,894)
$ 22,669	$ 75,687	$ 3,990	$ 407,283	$ 2,784,929

COMBINING STATEMENT OF ACTIVITIES

NONMAJOR COMPONENT UNITS

FOR THE YEAR ENDED JUNE 30, 2013

(EXPRESSED IN THOUSANDS)

		PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
NONMAJOR COMPONENT UNITS:					
ACADIANA AREA HUMAN SERVICES DISTRICT	$ 14,399	$ 529	$ --	$ --	$ (13,870)
BOARDS AND COMMISSIONS	7,973	6,024	9	--	(1,940)
CAPITAL AREA HUMAN SERVICES DISTRICT	31,217	1,180	--	--	(30,037)
FLORIDA PARISHES HUMAN SERVICES AUTHORITY	19,770	290	--	--	(19,480)
FOUNDATION FOR EXCELLENCE IN LOUISIANA PUBLIC BROADCASTING	6,272	2,959	3,203	--	(110)
GREATER BATON ROUGE PORT COMMISSION **	8,028	6,806	--	2,462	1,240
GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	21,524	15,811	--	--	(5,713)
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	22,772	2,333	2,928	--	(17,511)
LOUISIANA CANCER RESEARCH CENTER	18,525	--	15,984	1,952	(589)
LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION	220,212	121,951	--	--	(98,261)
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	18,695	981	543	--	(17,171)
LOUISIANA HOUSING CORPORATION	212,279	17,232	166,373	--	(28,674)
LOUISIANA PUBLIC FACILITIES AUTHORITY **	2,496	2,848	--	--	352
LOUISIANA UTILITIES RESTORATION CORPORATION	59,446	196,705	--	--	137,259
METROPOLITAN HUMAN SERVICES DISTRICT	26,819	2,356	1,141	--	(23,322)
ERNEST N. MORIAL EXHIBITION HALL AUTHORITY **	88,759	26,907	--	10,000	(51,852)
OTHER LEVEE DISTRICTS	57,770	698	6,083	1,781	(49,208)
OUACHITA EXPRESSWAY AUTHORITY	--	--	--	--	--
ROAD HOME CORPORATION	68,125	--	12,050	1,351	(54,724)
SABINE RIVER AUTHORITY	9,123	8,180	--	--	(943)
SOUTH CENTRAL LOUISIANA HUMAN SERVICES AUTHORITY	21,669	2,641	--	--	(19,028)
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	50,169	5,082	63	13,112	(31,912)
TOTAL NONMAJOR COMPONENT UNITS	$ 986,042	$ 421,513	$ 208,377	$ 30,658	$ (325,494)

	GENERAL REVENUES			NET POSITION BEGINNING	
	PAYMENTS FROM PRIMARY GOVERNMENT	OTHER GENERAL REVENUES	CHANGE IN NET POSITION	OF YEAR AS RESTATED	NET POSITION END OF YEAR
NONMAJOR COMPONENT UNITS:					
ACADIANA AREA HUMAN SERVICES DISTRICT	$ 12,731	$ 636	$ (503)	$ --	$ (503)
BOARDS AND COMMISSIONS	360	2,120	540	27,123	27,663
CAPITAL AREA HUMAN SERVICES DISTRICT	18,484	7,741	(3,812)	(8,544)	(12,356)
FLORIDA PARISHES HUMAN SERVICES AUTHORITY	17,862	--	(1,618)	(5,265)	(6,883)
FOUNDATION FOR EXCELLENCE IN LOUISIANA PUBLIC BROADCASTING	--	3,128	3,018	28,139	31,157
GREATER BATON ROUGE PORT COMMISSION **	--	251	1,491	69,025	70,516
GREATER NEW ORLEANS EXPRESSWAY COMMISSION *	--	6,936	1,223	87,737	88,960
JEFFERSON PARISH HUMAN SERVICES AUTHORITY	18,465	1,735	2,689	4,783	7,472
LOUISIANA CANCER RESEARCH CENTER	--	1,065	476	117,294	117,770
LOUISIANA CITIZENS PROPERTY INSURANCE CORPORATION	--	100,143	1,882	(730,875)	(728,993)
LOUISIANA ECONOMIC DEVELOPMENT CORPORATION	10,000	9,805	2,634	71,508	74,142
LOUISIANA HOUSING CORPORATION	--	8,260	(20,414)	317,066	296,652
LOUISIANA PUBLIC FACILITIES AUTHORITY **	--	630	982	37,327	38,309
LOUISIANA UTILITIES RESTORATION CORPORATION	--	--	137,259	(1,225,963)	(1,088,704)
METROPOLITAN HUMAN SERVICES DISTRICT	23,467	58	203	(1,899)	(1,696)
ERNEST N. MORIAL EXHIBITION HALL AUTHORITY **	--	48,098	(3,754)	436,112	432,358
OTHER LEVEE DISTRICTS	3,277	52,686	6,755	208,655	215,410
OUACHITA EXPRESSWAY AUTHORITY	--	--	--	4	4
ROAD HOME CORPORATION	--	176	(54,548)	74,449	19,901
SABINE RIVER AUTHORITY	--	180	(763)	62,900	62,137
SOUTH CENTRAL LOUISIANA HUMAN SERVICES AUTHORITY	19,283	--	255	(1,342)	(1,087)
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST AND WEST	3,612	54,326	26,026	310,851	336,877
TOTAL NONMAJOR COMPONENT UNITS	$ 127,541	$ 297,974	$ 100,021	$ (120,915)	$ (20,894)

* For the period ending October 31, 2012.

** For the period ending December 31, 2012.

III. STATISTICAL SECTION

Statistical Section Index

This part of the Louisiana comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about Louisiana's overall financial health.

Contents **Page**

Financial Trends **148**
These schedules contain trend information to help the reader understand how Louisiana's financial performance and well-being have changed over time.

Revenue Capacity **158**
These schedules contain information to help the reader assess Louisiana's most significant state revenue source, income tax.

Debt Capacity **163**
These schedules present information to help the reader assess the affordability of Louisiana's current levels of outstanding debt and Louisiana's ability to issue additional debt in the future.

Demographic and Economic Information **168**
These schedules offer demographic and economic indicators to help the reader understand the environment within which Louisiana's financial activities take place.

Operating Information **170**
These schedules contain service and infrastructure data to help the reader understand how the information in Louisiana's financial report relates to the services Louisiana provides and the activities it performs.

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2013	2012	2011	2010
GOVERNMENTAL ACTIVITIES				
NET INVESTMENT IN CAPITAL ASSETS *	$ 11,573,027	$ 11,466,833	$ 11,862,399	$ 14,737,911
RESTRICTED	4,721,228	4,580,471	5,008,705	5,096,314
UNRESTRICTED	(5,034,905)	(3,914,614)	(3,341,575)	(2,318,148)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	$ 11,259,350	$ 12,132,690	$ 13,529,529	$ 17,516,077
BUSINESS-TYPE ACTIVITIES				
NET INVESTMENT IN CAPITAL ASSETS *	$ 338,894	$ 200,294	$ 218,826	$ 170,960
RESTRICTED	991,425	839,363	906,600	1,048,285
UNRESTRICTED	966,905	1,042,012	896,531	772,984
TOTAL BUSINESS-TYPE ACTIVITIES NET POSITION	$ 2,297,224	$ 2,081,669	$ 2,021,957	$ 1,992,229
PRIMARY GOVERNMENT				
NET INVESTMENT IN CAPITAL ASSETS *	$ 11,911,921	$ 11,667,127	$ 12,081,225	$ 14,908,871
RESTRICTED	5,712,653	5,419,834	5,915,305	6,144,599
UNRESTRICTED	(4,068,000)	(2,872,602)	(2,445,044)	(1,545,164)
TOTAL PRIMARY GOVERNMENT NET POSITION	$ 13,556,574	$ 14,214,359	$ 15,551,486	$ 19,508,306

* GASB 63 replaced the following terminology: "Net assets" was replaced with "net position" and "invested in capital assets, net of related debt" was replaced with "net investment in capital assets."

Source: Office of Statewide Reporting and Accounting Policy

2009	2008	2007	2006	2005	2004
$ 14,091,358	$ 12,780,381	$ 11,841,240	$ 11,304,859	$ 10,982,851	$ 10,438,398
5,489,526	5,214,389	5,504,064	6,988,644	6,825,025	5,750,785
(1,059,178)	682,749	379,890	(3,460,580)	(4,449,263)	(4,065,966)
$ 18,521,706	$ 18,677,519	$ 17,725,194	$ 14,832,923	$ 13,358,613	$ 12,123,217
$ 119,033	$ 19,755	$ 22,290	$ 22,353	$ 20,251	$ 21,512
1,417,455	1,572,760	1,476,729	1,407,337	1,547,700	1,573,788
964,436	940,801	905,398	467,360	433,632	397,431
$ 2,500,924	$ 2,533,316	$ 2,404,417	$ 1,897,050	$ 2,001,583	$ 1,992,731
$ 14,210,391	$ 12,800,136	$ 11,863,530	$ 11,327,212	$ 11,003,102	$ 10,459,910
6,906,981	6,787,149	6,980,793	8,395,981	8,372,725	7,324,573
(94,742)	1,623,550	1,285,288	(2,993,220)	(4,015,631)	(3,668,535)
$ 21,022,630	$ 21,210,835	$ 20,129,611	$ 16,729,973	$ 15,360,196	$ 14,115,948

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2013	2012	2011	2010
EXPENSES				
GOVERNMENTAL ACTIVITIES:				
GENERAL GOVERNMENT	$ 4,607,483	$ 5,308,576	$ 6,497,216	$ 5,896,826
CULTURE, RECREATION, AND TOURISM	99,582	92,741	110,078	86,845
TRANSPORTATION AND DEVELOPMENT	1,312,998	1,500,182	1,370,238	1,111,846
PUBLIC SAFETY	336,143	326,627	337,149	349,369
HEALTH AND WELFARE	10,071,069	9,769,203	9,335,925	10,248,151
CORRECTIONS	657,028	633,544	671,436	686,957
YOUTH SERVICES	106,779	116,791	134,274	152,562
CONSERVATION AND ENVIRONMENT	343,487	364,234	372,703	595,690
EDUCATION	6,705,462	6,614,109	6,602,774	6,599,451
OTHER	29,369	25,407	49,174	45,821
INTERGOVERNMENTAL	515,763	505,680	430,763	398,377
INTEREST ON LONG-TERM DEBT	305,746	332,586	284,395	299,326
TOTAL GOVERNMENTAL ACTIVITIES EXPENSES	25,090,909	25,589,680	26,196,125	26,471,221
BUSINESS-TYPE ACTIVITIES:				
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM	492,782	--	--	--
PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	--	--	126,324	160,427
UNEMPLOYMENT TRUST FUND	339,852	537,217	761,747	985,779
NONMAJOR ENTERPRISE FUNDS	113,017	107,503	123,340	344,750
TOTAL BUSINESS-TYPE ACTIVITIES EXPENSES	945,651	644,720	1,011,411	1,490,956
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 26,036,560	$ 26,234,400	$ 27,207,536	$ 27,962,177
PROGRAM REVENUES				
GOVERNMENTAL ACTIVITIES:				
CHARGES FOR SERVICES				
GENERAL GOVERNMENT	$ 2,178,896	$ 1,579,216	$ 1,906,708	$ 1,962,589
CULTURE, RECREATION, AND TOURISM	11,576	11,246	10,932	17,281
TRANSPORTATION AND DEVELOPMENT	63,437	122,485	88,817	70,665
PUBLIC SAFETY	310,738	323,089	279,280	280,500
HEALTH AND WELFARE	276,815	274,054	208,998	295,799
CORRECTIONS	43,518	40,780	39,958	38,520
YOUTH SERVICES	793	2,789	1,490	--
CONSERVATION AND ENVIRONMENT	812,599	757,891	966,275	688,756
EDUCATION	37,810	38,915	5,518	60,329
INTERGOVERNMENTAL	1,678	1,471	1,733	1,425
OPERATING GRANTS AND CONTRIBUTIONS	10,308,201	11,707,327	11,390,940	11,138,352
CAPITAL GRANTS AND CONTRIBUTIONS	1,049,293	1,076,896	2,403,996	2,526,649
TOTAL GOVERNMENTAL ACTIVITIES PROGRAM REVENUES	15,095,354	15,936,159	17,304,645	17,080,865

* GASB 63 replaced Net Assets with Net Position.

Source: Office of Statewide Reporting and Accounting Policy

(Continued)

2009	2008	2007	2006	2005	2004
$ 6,972,403	$ 8,693,766	$ 7,492,929	$ 4,806,262	$ 2,655,471	$ 2,620,442
122,928	148,178	100,246	66,927	69,415	63,512
1,286,404	1,052,169	889,606	1,054,044	835,901	820,757
371,326	331,086	337,962	301,338	271,118	225,307
9,671,816	8,615,435	7,626,096	7,412,815	7,458,289	7,267,104
727,095	649,858	540,284	550,627	664,961	640,371
170,678	165,840	121,335	116,975	--	--
499,648	439,009	331,891	283,692	297,097	289,712
7,136,960	6,871,321	6,085,878	5,514,318	5,310,194	5,162,768
66,424	43,217	40,008	26,251	33,833	16,048
485,875	540,505	182,741	1,037,043	375,373	354,846
304,763	297,201	296,223	230,976	216,750	216,514
27,816,320	27,847,585	24,045,199	21,401,268	18,188,402	17,677,381
--	--	--	--	--	--
--	--	--	--	--	--
455,910	189,095	185,308	823,987	264,458	338,910
335,166	333,801	307,483	298,879	274,268	327,375
791,076	522,896	492,791	1,122,866	538,726	666,285
$ 28,607,396	$ 28,370,481	$ 24,537,990	$ 22,524,134	$ 18,727,128	$ 18,343,666
$ 2,029,900	$ 2,063,639	$ 2,116,712	$ 2,017,870	$ 1,905,839	$ 1,597,757
8,984	33,232	34,932	30,531	29,145	27,435
230,874	222,756	197,283	79,099	136,642	65,507
303,813	306,615	273,481	276,020	271,052	252,990
215,112	278,254	266,603	187,920	305,674	581,160
39,018	32,553	41,657	33,926	33,407	36,376
7,827	584	1,073	513	--	--
905,157	1,046,365	841,171	653,286	647,685	618,354
41,544	31,158	30,058	49,735	39,783	50,026
1,244	1,246	1,027	954	1,396	1,273
11,068,209	8,848,637	8,962,433	9,323,509	7,052,411	6,914,691
3,010,693	5,405,015	3,964,479	978,072	520,376	552,527
17,862,375	18,270,054	16,730,909	13,631,435	10,943,410	10,698,096

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2013	2012	2011	2010
BUSINESS-TYPE ACTIVITIES:				
CHARGES FOR SERVICES				
LOUISIANA COMMUNITY AND TECHNICAL				
COLLEGE SYSTEM	107,259	--	--	--
PATIENT'S COMPENSATION FUND OVERSIGHT BOARD	--	--	187,259	183,576
UNEMPLOYMENT TRUST FUND	284,229	266,907	281,951	245,023
NONMAJOR ENTERPRISE FUNDS	97,629	95,016	98,066	465,146
OPERATING GRANTS AND CONTRIBUTIONS	162,789	212,490	376,724	412,463
CAPITAL GRANTS AND CONTRIBUTIONS	82,395	49,127	107,519	68,045
TOTAL BUSINESS-TYPE ACTIVITIES PROGRAM REVENUES	734,301	623,540	1,051,519	1,374,253
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 15,829,655	$ 16,559,699	$ 18,356,164	$ 18,455,118
NET (EXPENSE) REVENUE				
GOVERNMENTAL ACTIVITIES	$ (9,995,555)	$ (9,653,521)	$ (8,891,480)	$ (9,390,356)
BUSINESS-TYPE ACTIVITIES	(211,350)	(21,180)	40,108	(116,703)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	$ (10,206,905)	$ (9,674,701)	$ (8,851,372)	$ (9,507,059)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
GOVERNMENTAL ACTIVITIES:				
INCOME TAXES	$ 2,903,025	$ 2,876,011	$ 2,665,804	$ 2,491,144
SALES TAXES	2,858,889	2,860,313	2,821,598	2,560,775
SEVERANCE TAXES	840,966	850,685	748,355	776,464
GASOLINE TAXES, restricted for transportation	619,379	596,052	639,452	624,554
TOBACCO TAXES	123,497	133,194	142,064	135,927
MISCELLANEOUS TAXES	809,783	726,074	645,990	657,962
TOBACCO SETTLEMENT, restricted for education, health and welfare	226,328	146,620	140,978	142,279
GAMING	835,470	828,010	823,418	668,235
UNRESTRICTED INVESTMENT EARNINGS (LOSS)	(23,149)	(80,613)	(4,208)	(9,301)
MISCELLANEOUS	3,303	3,548	3,123	338
OTHER	10,838	7,032	7,950	6,873
EXTRAORDINARY ITEM - loss on impairment of capital assets	--	--	--	--
TRANSFERS	(115,210)	77,050	1,609	141,615
TOTAL GOVERNMENTAL ACTIVITIES	9,093,119	9,023,976	8,636,133	8,196,865
BUSINESS-TYPE ACTIVITIES:				
OTHER	153,590	3,739	14,483	21,732
EXTRAORDINARY ITEM - gain (loss) on impairment of capital assets	--	--	--	--
TRANSFERS	115,210	(77,050)	(1,609)	(141,615)
TOTAL BUSINESS-TYPE ACTIVITIES	268,800	(73,311)	12,874	(119,883)
TOTAL PRIMARY GOVERNMENT	$ 9,361,919	$ 8,950,665	$ 8,649,007	$ 8,076,982
CHANGE IN NET POSITION *				
GOVERNMENTAL ACTIVITIES	$ (902,436)	$ (629,545)	$ (255,347)	$ (1,193,491)
BUSINESS-TYPE ACTIVITIES	57,450	(94,491)	52,982	(236,586)
TOTAL PRIMARY GOVERNMENT	$ (844,986)	$ (724,036)	$ (202,365)	$ (1,430,077)

* GASB 63 replaced Net Assets with Net Position.

(Concluded)

2009	2008	2007	2006	2005	2004
--	--	--	--	--	--
--	--	--	--	--	--
227,260	237,406	249,631	264,349	267,602	255,914
475,022	468,369	447,678	422,489	385,309	445,427
99,339	2,695	3,800	419,438	7,104	46,221
86,934	41,003	19,355	16,588	21,188	30,344
888,555	749,473	720,464	1,122,864	681,203	777,906
$ 18,750,930	$ 19,019,527	$ 17,451,373	$ 14,754,299	$ 11,624,613	$ 11,476,002
$ (9,953,945)	$ (9,577,531)	$ (7,314,290)	$ (7,769,833)	$ (7,244,992)	$ (6,979,285)
97,479	226,577	227,673	(2)	142,477	111,621
$ (9,856,466)	$ (9,350,954)	$ (7,086,617)	$ (7,769,835)	$ (7,102,515)	$ (6,867,664)
$ 3,630,547	$ 3,869,834	$ 4,140,496	$ 3,129,906	$ 3,030,085	$ 2,457,114
3,016,254	3,147,604	3,059,073	3,108,824	2,483,101	2,455,444
876,579	1,095,244	916,125	714,279	681,836	540,205
599,192	604,683	617,498	621,683	590,286	559,274
105,469	96,314	104,051	96,872	105,476	102,231
762,360	806,213	820,904	660,619	689,039	583,789
71,966	64,294	61,016	50,102	57,249	58,987
715,443	742,518	726,165	711,378	624,271	596,693
(12,169)	(3,601)	6,071	25,739	4,127	28,518
330	310	6,105	--	8,940	18,682
134,502	141,410	13,337	23,924	14,148	--
(2,406)	--	--	(24,464)	--	--
142,066	132,219	(270,126)	119,977	108,582	120,808
10,040,133	10,697,042	10,200,715	9,238,839	8,397,140	7,521,745
7,450	12,784	9,568	13,505	3,232	4,824
--	--	--	186	--	--
(142,066)	(132,219)	270,126	(119,977)	(108,582)	(120,808)
(134,616)	(119,435)	279,694	(106,286)	(105,350)	(115,984)
$ 9,905,517	$ 10,577,607	$ 10,480,409	$ 9,132,553	$ 8,291,790	$ 7,405,761
$ 86,188	$ 1,119,511	$ 2,886,425	$ 1,469,006	$ 1,152,148	$ 542,460
(37,137)	107,142	507,367	(106,288)	37,127	(4,363)
$ 49,051	$ 1,226,653	$ 3,393,792	$ 1,362,718	$ 1,189,275	$ 538,097

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2013	2012	2011	2010
GENERAL FUND (per GASB 54) *				
NONSPENDABLE	$ 73,780	$ 70,707	$ 76,273	$ --
RESTRICTED	1,270,682	1,405,987	1,439,257	--
COMMITTED	1,608,089	1,809,517	2,073,954	--
ASSIGNED	224,672	223,490	234,052	--
UNASSIGNED	36,529	127,508	111,769	--
GENERAL FUND (prior GASB 54) **				
RESERVED	--	--	--	1,013,749
UNRESERVED	--	--	--	(49,333)
TOTAL GENERAL FUND	$ 3,213,752	$ 3,637,209	$ 3,935,305	$ 964,416
ALL OTHER GOVERNMENTAL FUNDS (per GASB 54) *				
NONSPENDABLE	$ 2,511,725	$ 2,466,207	$ 2,479,800	$ --
RESTRICTED	804,512	932,411	1,056,686	--
COMMITTED	342,924	508,847	697,635	--
ALL OTHER GOVERNMENTAL FUNDS (prior GASB 54) **				
RESERVED	--	--	--	3,048,357
UNRESERVED, REPORTED IN:				
SPECIAL REVENUE FUNDS	--	--	--	3,586,804
DEBT SERVICE FUNDS	--	--	--	614
CAPITAL PROJECTS FUNDS	--	--	--	243
PERMANENT FUNDS	--	--	--	1,431,269
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 3,659,161	$ 3,907,465	$ 4,234,121	$ 8,067,287

* With the implementation of GASB 54 in FY 2011, fund balances are reclassifed as Nonspendable, Restricted, Committed, Assigned, and Unassigned.

** Prior to FY 2011 and GASB 54, fund balances were classified as Reserved or Unreserved according to GASB 34.

Source: Office of Statewide Reporting and Accounting Policy

2009	2008	2007	2006	2005	2004
$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
856,166	790,670	620,540	340,384	312,266	298,138
802,611	840,256	1,157,981	442,346	264,185	(10,998)
$ 1,658,777	$ 1,630,926	$ 1,778,521	$ 782,730	$ 576,451	$ 287,140
$ --	$ --	$ --	$ --	$ --	$ --
--	--	--	--	--	--
--	--	--	--	--	--
3,136,568	3,948,806	4,653,805	2,250,615	2,744,131	2,055,580
4,447,259	4,634,052	4,256,788	3,383,163	2,880,995	2,389,374
1,534	8,645	1,399	--	--	--
636	849	383	21	157	204
1,369,402	1,309,646	1,258,805	1,209,392	1,207,338	1,140,736
$ 8,955,399	$ 9,901,998	$ 10,171,180	$ 6,843,191	$ 6,832,621	$ 5,585,894

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

(EXPRESSED IN THOUSANDS)

	2013	2012	2011	2010
REVENUES				
INTERGOVERNMENTAL REVENUES	$ 11,543,881	$ 12,930,021	$ 13,823,449	$ 13,469,624
TAXES	8,152,282	7,927,305	7,668,449	7,462,892
GAMING	838,500	831,227	810,424	671,527
TOBACCO SETTLEMENT	210,625	141,240	138,518	146,841
USE OF MONEY AND PROPERTY	683,994	844,927	925,682	1,007,980
LICENSES, PERMITS, AND FEES	886,465	911,723	775,640	633,600
SALES OF COMMODITIES AND SERVICES	876,564	948,106	916,938	933,549
POLLUTION REMEDIATION SETTLEMENT	87,519	13,996	258,631	--
OTHER	688,113	265,458	308,458	706,121
TOTAL REVENUES	23,967,943	24,814,003	25,626,189	25,032,134
EXPENDITURES				
GENERAL GOVERNMENT	4,065,713	4,827,035	5,764,484	4,911,766
CULTURE, RECREATION, AND TOURISM	86,857	91,934	82,009	71,088
TRANSPORTATION AND DEVELOPMENT	438,779	455,333	428,301	424,007
PUBLIC SAFETY	312,227	308,651	306,984	296,083
HEALTH AND WELFARE	10,006,567	9,884,320	9,671,602	9,497,394
CORRECTIONS	627,148	601,057	620,948	612,723
YOUTH SERVICES	98,823	110,992	125,651	138,506
CONSERVATION AND ENVIRONMENT	275,245	247,954	259,065	463,913
EDUCATION	6,334,414	6,312,152	6,293,778	6,319,886
OTHER	20,884	15,840	70,541	273,669
INTERGOVERNMENTAL	515,763	505,680	488,336	491,143
CAPITAL OUTLAY	1,843,811	2,000,974	2,502,456	2,384,130
DEBT SERVICE:				
PRINCIPAL RETIREMENT	329,643	281,575	273,765	268,705
INTEREST AND FISCAL CHARGES	315,377	317,271	304,065	299,609
TOTAL EXPENDITURES	25,271,251	25,960,768	27,191,985	26,452,622
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,303,308)	(1,146,765)	(1,565,796)	(1,420,488)
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	14,021,497	13,395,676	13,135,572	17,218,705
TRANSFERS OUT	(14,121,707)	(13,318,829)	(13,133,963)	(17,077,090)
PAYMENTS TO REFUNDED BOND ESCROW AGENT	(645,040)	(1,596,172)	(528,128)	(125,997)
LONG-TERM DEBT ISSUED	385,400	1,814,570	1,169,445	399,019
REFUNDING BONDS	633,980	--	--	--
LONG-TERM DEBT ISSUED - PREMIUMS	58,825	253,845	115,999	--
INSURANCE RECOVERY	221,489	--	--	--
OTHER	--	--	--	--
TOTAL OTHER FINANCING SOURCES (USES)	554,444	549,090	758,925	414,637
NET CHANGES IN FUND BALANCES	$ (748,864)	$ (597,675)	$ (806,871)	$ (1,005,851)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	2.8%	2.5%	2.4%	2.5%

Source: Office of Statewide Reporting and Accounting Policy

2009	2008	2007	2006	2005	2004
$ 14,053,062	$ 14,192,359	$ 13,389,561	$ 9,727,962	$ 7,669,450	$ 7,313,906
8,936,444	9,575,194	9,655,262	8,118,548	7,618,194	6,719,543
719,530	746,993	730,812	715,446	628,757	601,762
175,503	160,626	138,124	131,952	142,794	141,653
1,163,356	1,516,763	1,242,707	710,240	849,292	557,457
637,350	629,226	604,204	588,034	592,363	568,391
1,073,318	1,067,478	1,074,537	1,320,721	983,254	905,207
--	--	--	--	--	--
547,335	542,653	587,956	437,717	576,553	889,689
27,305,898	28,431,292	27,423,163	21,750,620	19,060,657	17,697,608
6,435,832	8,172,304	6,473,720	4,373,467	2,300,964	2,172,105
97,709	129,615	92,220	61,264	64,548	60,370
438,634	433,359	385,408	350,486	356,665	330,164
305,054	290,245	321,763	303,951	272,785	256,403
9,372,783	8,330,132	7,564,017	7,386,464	7,408,900	7,061,555
666,542	606,876	535,772	542,143	651,974	623,629
154,821	155,475	120,926	115,369	--	--
368,850	324,512	274,861	235,235	244,059	240,743
6,713,924	6,587,432	5,940,907	5,253,731	5,077,793	4,929,255
263,915	296,703	264,145	211,181	220,012	210,800
584,944	674,639	572,363	850,151	477,374	445,930
2,941,236	2,254,867	1,696,915	1,621,367	1,184,140	1,126,958
266,108	233,460	214,559	131,835	212,956	247,278
305,184	297,543	296,431	231,146	216,152	206,990
28,915,536	28,787,162	24,754,007	21,667,790	18,688,322	17,912,180
(1,609,638)	(355,870)	2,669,156	82,830	372,335	(214,572)
18,247,948	20,460,820	20,778,329	17,110,073	14,846,799	13,211,047
(18,105,772)	(20,328,601)	(21,048,455)	(16,990,096)	(14,735,078)	(13,090,239)
--	(71,593)	--	--	(710,543)	--
424,026	74,129	1,927,456	--	1,807,149	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
3,585	11,081	4,681	4,534	(58,430)	2,475
569,787	145,836	1,662,011	124,511	1,149,897	123,283
$ (1,039,851)	$ (210,034)	$ 4,331,167	$ 207,341	$ 1,522,232	$ (91,289)
2.3%	2.1%	2.3%	1.9%	2.5%	2.8%

INDIVIDUAL INCOME TAX
(by adjusted gross income bracket)
LAST SEVEN FISCAL YEARS

FISCAL YEAR 2012

ADJUSTED GROSS INCOME CLASS	NUMBER OF RETURNS	PERCENT OF TOTAL	TAX LIABILITY	PERCENT OF TOTAL
LESS THAN $0	10,623	0.51%	$ 409,631	0.02%
$0	96,253	4.62%	873,373	0.03%
$1 - 25,000	765,855	36.71%	110,999,615	4.40%
$25,001 - 50,000	485,511	23.27%	327,227,612	12.97%
$50,001 - 75,000	271,278	13.00%	339,429,023	13.46%
$75,001 - 100,000	170,533	8.18%	321,449,617	12.74%
$100,001 - 200,000	211,191	10.12%	647,777,431	25.68%
GREATER THAN $200,000	74,931	3.59%	774,484,609	30.70%
TOTALS	2,086,175	100.00%	$ 2,522,650,911	100.00%

FISCAL YEAR 2011

ADJUSTED GROSS INCOME CLASS	NUMBER OF RETURNS	PERCENT OF TOTAL	TAX LIABILITY	PERCENT OF TOTAL
LESS THAN $0	8,738	0.42%	$ 92,453	0.00%
$0	100,398	4.86%	1,006,349	0.04%
$1 - 25,000	757,376	36.68%	111,535,118	4.45%
$25,001 - 50,000	489,950	23.73%	333,260,114	13.30%
$50,001 - 75,000	271,009	13.12%	343,648,035	13.72%
$75,001 - 100,000	168,833	8.18%	323,064,252	12.89%
$100,001 - 200,000	199,537	9.66%	616,660,125	24.61%
GREATER THAN $200,000	69,137	3.35%	776,510,880	30.99%
TOTALS	2,064,978	100.00%	$ 2,505,777,326	100.00%

FISCAL YEAR 2010

ADJUSTED GROSS INCOME CLASS	NUMBER OF RETURNS	PERCENT OF TOTAL	TAX LIABILITY	PERCENT OF TOTAL
LESS THAN $0	7,651	0.38%	$ 110,127	0.00%
$0	104,399	5.12%	5,196,829	0.20%
$1 - 25,000	755,861	37.07%	109,180,282	4.24%
$25,001 - 50,000	484,343	23.75%	330,222,000	12.82%
$50,001 - 75,000	267,195	13.10%	342,076,594	13.29%
$75,001 - 100,000	164,539	8.07%	320,572,328	12.45%
GREATER THAN $100,000	255,282	12.51%	1,468,034,921	57.00%
TOTALS	2,039,270	100.00%	$ 2,575,393,081	100.00%

FISCAL YEAR 2009

ADJUSTED GROSS INCOME CLASS	NUMBER OF RETURNS	PERCENT OF TOTAL	TAX LIABILITY	PERCENT OF TOTAL
LESS THAN $0	7,023	0.35%	$ 92,927	0.00%
$0	90,927	4.58%	2,792,336	0.09%
$1 - 25,000	752,959	37.89%	108,193,148	3.67%
$25,001 - 50,000	463,147	23.30%	358,010,146	12.13%
$50,001 - 75,000	258,947	13.03%	389,736,911	13.21%
$75,001 - 100,000	160,734	8.09%	378,927,045	12.84%
GREATER THAN $100,000	253,658	12.76%	1,713,765,336	58.06%
TOTALS	1,987,395	100.00%	$ 2,951,517,849	100.00%

Note: Ten years are required; however, only seven fiscal years since the publication of information.

Source: Louisiana Department of Revenue and Taxation

FISCAL YEAR 2008

ADJUSTED GROSS INCOME CLASS	NUMBER OF RETURNS	PERCENT OF TOTAL	TAX LIABILITY	PERCENT OF TOTAL
LESS THAN $0	6,413	0.32%	$ 206,752	0.00%
$0	96,901	4.87%	1,469,695	0.05%
$1 - 25,000	777,344	39.08%	109,120,876	3.76%
$25,001 - 50,000	462,103	23.24%	357,596,517	12.31%
$50,001 - 75,000	255,880	12.87%	389,125,059	13.39%
$75,001 - 100,000	155,809	7.83%	373,887,537	12.87%
GREATER THAN $100,000	234,532	11.79%	1,674,295,571	57.62%
TOTALS	1,988,982	100.00%	$ 2,905,702,007	100.00%

FISCAL YEAR 2007

ADJUSTED GROSS INCOME CLASS	NUMBER OF RETURNS	PERCENT OF TOTAL	TAX LIABILITY	PERCENT OF TOTAL
LESS THAN $0	8,489	0.44%	$ 156,734	0.01%
$0	91,391	4.73%	866,990	0.03%
$1 - 25,000	785,245	40.67%	110,039,043	4.16%
$25,001 - 50,000	445,197	23.06%	355,021,171	13.42%
$50,001 - 75,000	247,248	12.80%	394,310,036	14.90%
$75,001 - 100,000	147,899	7.66%	375,040,772	14.17%
GREATER THAN $100,000	205,478	10.64%	1,410,540,689	53.31%
TOTALS	1,930,947	100.00%	$ 2,645,975,435	100.00%

FISCAL YEAR 2006

ADJUSTED GROSS INCOME CLASS	NUMBER OF RETURNS	PERCENT OF TOTAL	TAX LIABILITY	PERCENT OF TOTAL
LESS THAN $0	3,179	0.19%	$ --	0.00%
$0	49,542	3.02%	630,088	0.03%
$1 - 25,000	743,561	45.34%	100,690,392	5.44%
$25,001 - 50,000	386,812	23.59%	302,996,392	16.36%
$50,001 - 75,000	204,678	12.48%	320,256,923	17.30%
$75,001 - 100,000	114,525	6.98%	286,814,171	15.49%
GREATER THAN $100,000	137,531	8.40%	840,351,278	45.38%
TOTALS	1,639,828	100.00%	$ 1,851,739,244	100.00%

TAX RATE BY MAJOR SOURCES OF REVENUE

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
Alcoholic Beverage Taxes		
Beer Tax	Department of Revenue	$10 per 31-gallon barrel. This includes all alcoholic beverages with alcohol content of 6% or less and malt beverages with alcohol content more than 6%.
Liquor and Wine Tax	Department of Revenue	$0.66 per liter on liquor; $0.42 per liter on sparkling wine and still wines with alcoholic content more than 24%; $0.03 per liter on still wine with alcoholic content not more than 14%; $0.06 per liter on still wine with alcoholic content over 14% but not more than 24%.
Corporation Franchise Tax	Department of Revenue	The tax is currently assessed on the taxable base at the rate of $1.50 per $1,000 on the first $300,000 and $3.00 per $1,000 over $300,000. The minimum tax of $10 per year was repealed effective for franchise taxable period beginning on or after January 1, 2010.
Gasoline Tax	Department of Revenue	$0.20 per gallon. Petroleum Products Testing Fee – the fee for testing the quality and quantity of petroleum products is 4/32 cent per gallon.
Hazardous Waste Disposal Tax	Department of Revenue	$30 per dry-weight ton for waste disposed of on-site, $40 per dry-weight ton for waste disposed of off-site from where generated, and $100 per dry-weight ton on extremely hazardous waste disposed of in Louisiana.
Income Tax		
Corporate Income Tax	Department of Revenue	4% on the first $25,000 of net taxable income; 5% on the next $25,000; 6% on the next $50,000; 7% on the next $100,000; and 8% on all net taxable income in excess of $200,000.
Individual Income Tax	Department of Revenue	For taxable periods beginning after December 31, 2008, the rate of tax for taxpayers filing as single, married filing separately, or head of household is: 2% on the first $12,500; 4% on the next $37,500, and 6% on the taxable income above $50,000. Married persons filing a joint return or qualifying surviving spouse are taxed at the following rates: 2% on the first $25,000; 4% on the next $75,000; and 6% on the taxable income above $100,000. The combined personal exemption and standard deduction is $4,500 for single individuals and married persons filing separately; $9,000 for married couples filing jointly, qualified surviving spouses, and heads of households. A dependency deduction of $1,000 is allowed for each dependent, each taxpayer and/or spouse who is 65 years of age or older, and for each taxpayer and/or spouse who is blind.
Inheritance Tax	Department of Revenue	Inheritance tax was repealed effective January 1, 2010. However, Act 822 of 2008, effective January 1, 2008, provides that inheritance taxes shall prescribe within three years from December 31st of the year in which the taxes become due. For deaths before July 1, 2004, the date the taxes become due is determined by whether an inheritance tax return has been filed. If a return has been filed, the taxes become due nine months following death. But under Act 822, if a return was not filed, taxes become due January 1, 2008, and will prescribe January 1, 2011. For those deaths occurring before July 1, 2004, for which a return has been filed, the rates are as follows: A. Inheritances of a surviving spouse are totally exempt from the tax. B. Inheritances are taxed on all amounts that exceed the following exemption per heir or legatee: Class A (lineal descendants and ascendants), $25,000; Class B (collateral relationships such as brothers and sisters and their descendants), $1,000; Class C (nonrelated), $500. The tax rate for Class A is two percent of the first $20,000 of taxable value and three percent of amounts over $20,000 of taxable value. Class B is taxed at five percent of the first $20,000 of taxable value and at seven percent of amounts over $20,000 of taxable value. Class C is taxed at five percent of the first $5,000 of taxable value and at 10 percent of amounts over $5,000 of taxable value. C. For deaths occurring after June 30, 1998 and before July 1, 2001, the tax rates were reduced by eighteen percent; for deaths occurring after June 20, 2001, and before July 1, 2002, the tax rates were reduced by forty percent; for deaths occurring after June 30, 2002 and before July 1, 2003, the tax rates were reduced by sixty percent; for deaths occurring after June 30, 2003, and before July 1, 2004, the tax rates were reduced by eighty percent; and for deaths occurring after June 30, 2004, the tax shall not apply when judgment of possessions is rendered or when the succession is judicially opened no later than the last day of the ninth month following the death of the decedent.
Insurance Excise License Tax	Department of Insurance	A. The tax rate for life, accident, health and service is $140 for annual premiums up to $7,000 and $225 for each additional $10,000 or fraction thereof. B. The rate for fire, marine, transportation and casualty and surety is $185 for annual premiums up to $6,000 and $300 for each additional $10,000 or fraction thereof.

TAX TYPE	COLLECTION UNIT	RATE/DESCRIPTION
Mineral Resources - Royalties and Bonuses	Department of Natural Resources	These are not taxes. However, all oil and gas leases provide for a bonus, which is bid on at the time the lease is given. Leasehold payments, such as "delay rentals," "in-lieu royalty," and "deferred development" payments are also provided for in the lease. Annual rentals cannot, by statutory law, be less than one-half the cash bonus amount. Royalty which is bid on at the lease sale cannot, by statutory law, be less than 1/8th of the value of production. Mineral leases for solid mineral, such as sulfur, potash, salt, or lignite, provide for a royalty based on tonnage production at a market price paid per ton.
Motor Vehicle - Licenses and Fees	Department of Public Safety	A. The minimum vehicle registration license tax is $20 biannually for private passenger vehicles purchased before January 1, 1990. If purchased after January 1, 1990, the registration is based on the value of the vehicle – .1% of the value of the vehicle per year; with a minimum base of $10,000. The license plates are sold in two-year increments; therefore, the minimum price is $20.00. The registration fee is $40 (four-year increments) for trucks up to 6,000 pounds and the fees vary annually for trucks over 6,000 pounds depending on the use and the gross axle weight (usually from $10 to $480). B. Driver's license fees range from $13.50 to $36.00 for four years for drivers of private vehicles. Other driver's license fees may vary. C. A fee not to exceed $3 per service or transaction, at a local field office, enacted by LRS 32:429, is used solely to defray cost of operations of that office not fully funded by the State.
Natural Gas Franchise	Department of Revenue	1% of the gross receipts from the operation of franchises or charters in the State.
Sales Tax	Department of Revenue	4% sales tax is collected on the sale, use, consumption, distribution, or storage for use or consumption of any tangible personal property, on retail sales, leases, and rentals, and on certain sales of services including repairs of tangible personal property; 3% aggregate sales tax is collected on intrastate telecommunications and certain prepaid telephone services; effective April 1, 2004, the sales tax rate on interstate telecommunication services was reduced to 2%. Many statutory exemptions are partially suspended and are currently taxed at the suspended rate of 1%.
Severance Tax	Department of Revenue	A. The tax on oil/condensate is based on the value. The full rate of oil/condensate is 12.5% of the value. The incapable oil rate is 6.25% of the value. The stripper oil rate is 3.125% of the value. Stripper oil is exempt as long as the average value is less than $20 per barrel. B. The severance tax on natural gas is based on per thousand cubic feet. The full rate is adjusted annually on July 1, and may never be less than 7 cents per thousand cubic feet. As of July 1, 2012, the full rate is $0.148 per thousand cubic feet at 15.025 pounds per square inch absolute. The rate on incapable oil well gas is $0.03 per thousand cubic feet. The rate on incapable gas well gas is $0.013 per thousand cubic feet. C. The tax rate on sulfur is $1.03 per long-ton (2,240 pounds). D. The tax rate on salt is $0.06 per ton. E. The tax rates on timber are 2.25% of stumpage value and 5% of stumpage value of pulpwood. F. The tax rate on shell and sand is $0.06 per ton. G. The tax rate on stone is $0.03 per ton. H. The tax rate on lignite is $0.12 per ton. I. The tax rate on marble is $0.20 per ton.
Special Fuels Tax	Department of Revenue	The tax on special fuels is levied at a rate of $0.20 per gallon on motor fuels other than gasoline. It is subject to the Petroleum Products Tesing Fee of 4/32 cents per gallon effective September 1, 2003.
Surface Mining and Reclamation Fee	Department of Revenue	The fee on coal and lignite mined in Louisiana is $0.08 per ton.
Tobacco Tax	Department of Revenue	An excise tax is imposed on the first dealer who handles a tobacco product in the State. Cigars invoiced up to $120 per thousand are taxed at 8% of the manufacturer's net invoice price, whereas cigars invoiced over $120 per thousand are taxed at 20% on the net invoice price. The tax rate on smoking tobacco is computed at 33% of the invoice price to wholesalers. The tax rate on smokeless tobacco is 20% of the invoice price. The tax rate on cigarettes is $0.018 per cigarette.
Transportation and Communications Utilities Tax	Department of Revenue	2% of the gross receipts from intrastate business.

PERSONAL INCOME - EARNINGS BY MAJOR INDUSTRY
LAST TEN CALENDAR YEARS

(EXPRESSED IN THOUSANDS)

	2012	2011	2010	2009	2008
PRIVATE EARNINGS:					
HEALTH CARE AND SOCIAL ASSISTANCE	$ 13,837,762	$ 13,699,150	$ 13,029,493	$ 12,247,791	$ 11,635,605
PROFESSIONAL, SCIENTIFIC, AND TECHNICAL	8,925,518	8,730,072	8,339,346	8,156,865	8,312,362
MINING	7,882,683	6,124,611	5,096,485	7,222,814	8,119,855
CONSTRUCTION	10,995,566	10,191,916	9,561,405	9,552,079	9,993,692
RETAIL TRADE	8,244,257	8,087,269	7,770,214	7,326,500	7,535,722
TRANSPORTATION AND WAREHOUSING	6,359,258	6,559,286	6,016,411	5,625,326	5,920,279
MANUFACTURING - DURABLE GOODS	5,438,151	5,257,344	4,825,233	4,996,495	5,468,365
MANUFACTURING - NONDURABLE GOODS	7,528,374	7,380,719	6,758,768	6,501,021	6,494,728
WHOLESALE TRADE	5,666,896	5,479,840	5,157,434	5,065,263	5,318,695
FARM	1,575,546	953,157	836,006	833,800	786,867
FINANCE AND INSURANCE	4,714,445	4,981,990	4,557,147	4,294,107	4,399,740
OTHER SERVICES	25,601,221	24,239,200	23,239,428	22,324,192	22,951,905
GOVERNMENT AND GOVERNMENT ENTERPRISES:					
FEDERAL, CIVILIAN	2,912,019	3,199,357	3,208,297	3,139,003	3,055,825
MILITARY	2,426,059	3,187,955	3,093,552	2,733,951	2,553,824
STATE AND LOCAL	18,623,299	17,587,770	18,095,539	17,656,744	17,068,069
TOTAL PERSONAL INCOME - EARNINGS BY MAJOR INDUSTRY	$ 130,731,054	$ 125,659,636	$ 119,584,758	$ 117,675,951	$ 119,615,533

	2007	2006	2005	2004	2003
PRIVATE EARNINGS:					
HEALTH CARE AND SOCIAL ASSISTANCE	$ 10,858,334	$ 10,115,201	$ 9,926,712	$ 9,767,492	$ 9,059,510
PROFESSIONAL, SCIENTIFIC, AND TECHNICAL	7,486,155	6,826,905	6,097,803	5,906,916	5,412,362
MINING	5,787,667	5,864,975	4,754,011	4,417,549	4,308,901
CONSTRUCTION	9,508,852	8,740,509	7,286,484	6,865,235	6,615,911
RETAIL TRADE	7,744,462	7,546,051	6,953,141	6,714,091	6,527,018
TRANSPORTATION AND WAREHOUSING	5,550,298	5,101,352	4,635,696	4,398,190	4,177,584
MANUFACTURING - DURABLE GOODS	5,408,224	4,985,639	4,493,627	4,430,189	4,378,471
MANUFACTURING - NONDURABLE GOODS	6,054,758	6,045,464	5,799,226	5,691,485	5,767,323
WHOLESALE TRADE	5,154,869	4,809,101	4,438,826	4,249,075	4,000,414
FARM	828,479	721,221	713,911	822,360	860,755
FINANCE AND INSURANCE	4,402,229	4,242,098	4,138,379	3,849,657	3,627,589
OTHER SERVICES	21,884,804	20,469,294	19,753,321	19,154,051	18,055,960
GOVERNMENT AND GOVERNMENT ENTERPRISES:					
FEDERAL, CIVILIAN	2,910,690	2,900,953	2,871,868	2,766,813	2,613,268
MILITARY	2,346,169	2,233,770	2,354,746	2,166,326	2,013,885
STATE AND LOCAL	15,547,958	14,279,615	14,463,357	13,811,689	13,159,760
TOTAL PERSONAL INCOME - EARNINGS BY MAJOR INDUSTRY	$ 111,473,948	$ 104,882,148	$ 98,681,108	$ 95,011,118	$ 90,578,711

Source: Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS EXCEPT PERCENTAGE OF PERSONAL INCOME AND TOTAL DEBT PER CAPITA)

	GOVERNMENTAL ACTIVITIES				
FISCAL YEAR	GENERAL OBLIGATION BONDS (1)	TOTAL GENERAL OBLIGATION PER CAPITA **	TIMED AND STATE HIGHWAY IMPROVEMENT BONDS	TOBACCO SETTLEMENT FINANCING CORPORATION	OTHER (2)
2013	$ 3,838,301	$ *	$ 5,554,414	$ 1,837,083	$ 689,595
2012	3,689,767	802	5,634,181	2,049,027	719,959
2011	3,449,859	754	5,884,637	2,178,345	787,416
2010	3,667,101	807	5,138,234	1,173,903	863,655
2009	3,691,879	822	4,958,754	1,264,174	945,415
2008	3,563,209	808	4,060,540	1,373,742	567,074
2007	3,844,626	896	4,158,092	1,476,119	595,095
2006	2,844,454	663	1,568,930	1,563,849	645,077
2005	3,033,297	670	1,612,998	1,648,561	686,239
2004	2,608,149	578	494,088	1,740,216	549,143

	BUSINESS-TYPE ACTIVITIES				
FISCAL YEAR	OTHER (3)	LOUISIANA TRANSPORTATION AUTHORITY	TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME	TOTAL DEBT PER CAPITA** (4)
2013	$ 509,462	$ 325,344	$ 12,754,199	* %	$ *
2012	--	328,604	12,421,538	9.50	2,699
2011	--	330,758	12,631,015	10.05	2,761
2010	--	335,609	11,178,502	9.35	2,460
2009	--	251,041	11,111,263	9.44	2,474
2008	--	257,665	9,822,230	8.21	2,227
2007	--	267,600	10,341,532	9.28	2,409
2006	--	274,224	6,896,534	6.58	1,608
2005	--	277,889	7,258,984	7.36	1,605
2004	182,776	--	5,574,372	5.87	1,234

(1) General Obligation Bonds less Reimbursable Contracts

(2) Includes Crescent City Connection, Health Education Authority, LA Correctional Facilities Corporation, Public Safety LPFA, LPFA-Industrial Development Board of the City of New Orleans, LPFA-Hurricane Recovery Revenue Bonds, Department of Corrections, and Office Facilities Corporation.

(3) Part of Office Facilities Corporation was an enterprise fund, then reclassified to a governmental fund in fiscal year 2004-2005. In fiscal year 2012-2013, LA Community and Technical Colleges and LA Agricultural Finance Authority were reclassified to Enterprise Funds.

(4) Debt Per Capita = Total Primary Government / Population

Bonds are backed by revenue sources except for the General Obligation Bonds. If the other bonds default, then the state pays the principal and interest.

* Information not yet available

** Expressed in whole dollars

LEGAL DEBT MARGIN AND DEBT LIMITATIONS
LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS)

	2013	2012	2011	2010
LEGAL DEBT MARGIN				
BOND AUTHORIZATION LIMITATION	$ 23,292,744	$ 22,551,477	$ 23,423,522	$ 25,194,775
TOTAL NET DEBT APPLICABLE TO LIMITATION	2,524,325	2,543,225	2,205,655	2,099,285
LEGAL DEBT MARGIN	$ 20,768,419	$ 20,008,252	$ 21,217,867	$ 23,095,490
TOTAL NET DEBT APPLICABLE TO THE LIMIT AS A PERCENTAGE OF DEBT LIMIT	10.80%	11.28%	9.42%	8.33%

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR 2013	
BSRF REVENUES (3 YEARS)	$ 34,939,115
DEBT LIMIT CALCULATION (Revenues divided by 3 times 2)	23,292,744
DEBT APPLICABLE TO LIMIT:	
GENERAL OBLIGATION BONDS	2,524,325
LEGAL DEBT MARGIN	$ 20,768,419

	2013	2012	2011	2010
TAX-SUPPORTED DEBT LIMITATION				
ESTIMATED GENERAL FUND AND DEDICATED FUND REVENUE PER REVENUE ESTIMATING	$ 9,852,700	$ 9,926,000	$ 9,486,200	$ 9,868,300
PERCENTAGE ESTABLISHED PER LRS 39:1367	6.00%	6.00%	6.00%	6.00%
NET STATE TAX-SUPPORTED DEBT LIMIT	591,162	595,560	569,172	592,098
TOTAL NET STATE TAX-SUPPORTED DEBT PAID	$ 566,762	$ 518,024	$ 509,161	$ 483,010
PERCENTAGE OF ESTIMATED GENERAL FUND AND DEDICATED FUND REVENUES PER REVENUE ESTIMATING	5.75%	5.22%	5.37%	4.89%
GENERAL OBLIGATION DEBT LIMITATION				
THREE YEAR AVERAGE BOND SECURITY REVENUES	$ 11,646,372	$ 11,275,738	$ 11,711,761	$ 12,597,387
PERCENTAGE DEBT LIMITATION	10.00%	10.00%	10.00%	10.00%
GENERAL OBLIGATION DEBT LIMITATION	1,164,637	1,127,574	1,171,176	1,259,739
HIGHEST CURRENT OR FUTURE ANNUAL GENERAL OBLIGATION DEBT SERVICE REQUIREMENT	$ 316,019	$ 298,833	$ 281,732	$ 322,987
PERCENTAGE OF THE GENERAL OBLIGATION DEBT SERVICE REQUIREMENT	27.10%	26.50%	24.06%	25.64%

2009	2008	2007	2006	2005	2004
$ 26,856,498	$ 26,233,962	$ 24,443,616	$ 22,239,690	$ 20,693,990	$ 20,742,360
2,076,570	2,233,980	2,383,665	2,038,810	2,121,610	1,846,790
$ 24,779,928	$ 23,999,982	$ 22,059,951	$ 20,200,880	$ 18,572,380	$ 18,895,570
7.73%	8.52%	9.75%	9.16%	10.25%	8.90%
$ 11,144,900	$ 10,470,000	$ 8,949,200	$ 9,005,330	$ 8,325,500	$ 7,889,700
6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
668,694	628,200	536,952	540,320	499,530	473,382
$ 421,408	$ 425,828	$ 432,818	$ 289,724	$ 348,715	$ 373,134
3.78%	4.07%	4.84%	3.22%	4.19%	4.73%
$ 13,428,249	$ 13,116,981	$ 12,221,817	$ 11,119,845	$ 10,346,995	$ 10,371,180
10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
1,342,825	1,311,698	1,222,182	1,111,985	1,034,700	1,037,118
$ 265,315	$ 265,766	$ 266,212	$ 240,685	$ 240,685	$ 264,601
19.76%	20.26%	21.78%	21.64%	23.26%	25.51%

REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS

(EXPRESSED IN THOUSANDS EXCEPT COVERAGE RATIO)

	FISCAL YEAR ENDED JUNE 30	GROSS REVENUE	DIRECT OPERATING EXPENSES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST	ANNUAL DEBT SERVICE	COVERAGE RATIO
PRIMARY GOVERNMENT:								
PUBLIC FACILITIES BONDS:								
Louisiana Agricultural Finance Authority *	2013	$ 21,402	$ 4,889	$ 16,513	$ 13,577	$ 3,712	$ 17,289	0.96
	2012	15,437	69,006	(53,569)	9,197	2,507	11,704	(4.58)
	2011	16,282	5,186	11,096	9,082	3,034	12,116	0.92
	2010	12,284	5,106	7,178	2,222	3,300	5,522	1.30
	2009	14,764	6,980	7,784	17,222	10,976	28,198	0.28
	2008	10,563	7,529	3,034	300	4,684	4,984	0.61
	2007	7,474	10,286	(2,812)	--	1,171	1,171	(2.40)
	2006	22,866	14,270	8,596	7,608	266	7,874	1.09
	2005	4,624	5,364	(740)	841	929	1,770	(0.42)
	2004	5,791	6,379	(588)	275	72	347	(1.69)
Louisiana Community and Technical Colleges *	2013	$ 108,778	$ 464,150	$ (355,372)	$ 24,010	$ 13,646	$ 37,656	(9.44)
	2012	--	--	--	--	--	--	--
	2011	--	--	--	--	--	--	--
	2010	--	--	--	--	--	--	--
	2009	--	--	--	--	--	--	--
	2008	--	--	--	--	--	--	--
	2007	--	--	--	--	--	--	--
	2006	--	--	--	--	--	--	--
	2005	--	--	--	--	--	--	--
	2004	--	--	--	--	--	--	--
Louisiana Correctional Facilities Corporation	2013	$ 721	$ 248	$ 473	$ 1,780	$ 721	$ 2,501	0.19
	2012	805	198	607	1,695	805	2,500	0.24
	2011	880	2,315	(1,435)	1,630	879	2,509	(0.57)
	2010	931	564	367	1,565	943	2,508	0.15
	2009	1,151	144	1,007	1,570	1,092	2,662	0.38
	2008	1,055	58	997	5,335	1,055	6,390	0.16
	2007	1,081	147	934	5,075	857	5,932	0.16
	2006	1,271	161	1,110	4,840	1,097	5,937	0.19
	2005	1,474	34	1,440	4,610	1,326	5,936	0.24
	2004	3,413	904	2,509	4,410	1,526	5,936	0.42
Louisiana Office Facilities Corporation	2013	$ 40,741	$ 43,480	$ (2,739)	$ 18,855	$ 15,557	$ 34,412	(0.08)
	2012	31,464	25,443	6,021	18,290	10,567	28,857	0.21
	2011	36,012	25,003	11,009	17,955	11,853	29,808	0.37
	2010	35,008	23,852	11,156	20,005	9,742	29,747	0.37
	2009	40,644	22,663	17,981	18,055	14,767	32,822	0.55
	2008	43,627	22,091	21,536	17,310	15,515	32,825	0.66
	2007	43,997	20,975	23,022	16,580	16,242	32,822	0.70
	2006	32,529	13,411	19,118	11,680	16,854	28,534	0.67
	2005	33,618	15,555	18,063	11,160	17,364	28,524	0.63
	2004	30,975	21,433	9,542	10,700	15,415	26,115	0.37
COMPONENT UNITS:								
HOUSING LOAN BONDS:								
Louisiana Housing Corporation	2013	$ 12,302	$ 13,292	$ (990)	$ 740	$ 740	$ 1,480	(0.67)
	2012	21,631	11,379	10,252	2,460	788	3,248	3.16
	2011	43,771	13,205	30,566	7,445	1,161	8,606	3.55
	2010	33,522	13,155	20,367	2,145	1,280	3,425	5.95
	2009	23,462	14,236	9,226	6,572	2,924	9,496	0.97
	2008	17,807	12,284	5,523	12,390	4,055	16,445	0.34
	2007	21,931	10,405	11,526	21,140	2,795	23,935	0.48
	2006	18,716	12,599	6,117	39,965	2,843	42,808	0.14
	2005	14,398	7,494	6,904	4,005	4,299	8,304	0.83
	2004	11,956	7,967	3,989	1,625	604	2,229	1.79

* In Fiscal Year 2013, Louisiana Agricultural Finance Authority and
Louisiana Community and Technical Colleges moved to Primary Government - Proprietary Funds.

Source: Office of Statewide Reporting and Accounting Policy

	FISCAL YEAR ENDED JUNE 30	GROSS REVENUE	DIRECT OPERATING EXPENSES	AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST	ANNUAL DEBT SERVICE	COVERAGE RATIO
INFRASTRUCTURE BONDS:								
Greater Baton Rouge Port Commission	2013	$ 7,058	$ 2,436	$ 4,622	$ 490	$ 399	$ 889	5.20
	2012	--	--	--	--	--	--	--
	2011	--	--	--	--	--	--	--
	2010	--	--	--	--	--	--	--
	2009	--	--	--	--	--	--	--
	2008	--	--	--	--	--	--	--
	2007	--	--	--	--	--	--	--
	2006	--	--	--	--	--	--	--
	2005	4,980	4,919	61	320	433	753	0.08
	2004	4,827	4,025	802	300	455	755	1.06
Greater New Orleans Expressway Commission	2013	$ 22,741	$ 13,631	$ 9,110	$ 2,265	$ 2,571	$ 4,836	1.88
	2012	21,483	13,699	7,784	2,200	2,456	4,656	1.67
	2011	25,530	14,980	10,550	1,130	2,618	3,748	2.81
	2010	22,662	15,430	7,232	1,955	2,785	4,740	1.53
	2009	23,444	16,622	6,822	1,905	2,848	4,753	1.44
	2008	23,771	14,028	9,743	1,835	2,886	4,721	2.06
	2007	20,402	15,235	5,167	1,760	2,981	4,741	1.09
	2006	14,276	10,925	3,351	1,750	3,013	4,763	0.70
	2005	16,090	11,024	5,066	1,230	1,961	3,191	1.59
	2004	15,934	8,935	6,999	650	3,709	4,359	1.61
Levee Districts	2013	$ 14,260	$ 13,648	$ 612	$ 1,000	$ 193	$ 1,193	0.51
	2012	73,110	58,198	14,912	4,085	268	4,353	3.43
	2011	74,351	52,626	21,725	2,075	686	2,761	7.87
	2010	73,854	50,941	22,913	46,320	2,942	49,262	0.47
	2009	57,627	64,895	(7,268)	7,855	3,340	11,195	(0.65)
	2008	59,394	27,927	31,467	7,010	3,300	10,310	3.05
	2007	15,654	22,937	(7,283)	6,430	3,846	10,276	(0.71)
	2006	12,734	27,526	(14,792)	5,970	3,948	9,918	(1.49)
	2005	18,629	33,903	(15,274)	5,605	4,232	9,837	(1.55)
	2004	18,944	31,977	(13,033)	3,145	1,852	4,997	(2.61)
Sabine River Authority	2013	$ 8,207	$ 6,468	$ 1,739	$ 1,816	$ 373	$ 2,189	0.79
	2012	8,482	5,947	2,535	900	336	1,236	2.05
	2011	7,945	5,748	2,197	865	156	1,021	2.15
	2010	12,628	5,784	6,844	820	191	1,011	6.77
	2009	8,046	5,893	2,153	2,370	195	2,565	0.84
	2008	8,764	5,791	2,973	730	288	1,018	2.92
	2007	5,755	4,129	1,626	695	274	969	1.68
	2006	4,581	4,457	124	660	386	1,046	0.12
	2005	6,581	4,253	2,328	630	282	912	2.55
	2004	6,282	3,603	2,679	9,035	724	9,759	0.27
PUBLIC FACILITIES BONDS:								
Louisiana Stadium and Exposition District	2013	$ 102,513	$ 72,743	$ 29,770	$ --	$ 4,092	$ 4,092	7.28
	2012	60,879	63,824	(2,945)	--	19,681	19,681	(0.15)
	2011	92,980	60,437	32,543	--	12,619	12,619	2.58
	2010	81,538	60,169	21,369	--	20,748	20,748	1.03
	2009	73,602	55,384	18,218	--	8,692	8,692	2.10
	2008	36,530	55,347	(18,817)	--	5,193	5,193	(3.62)
	2007	25,569	37,868	(12,299)	--	6,904	6,904	(1.78)
	2006	7,404	19,517	(12,113)	4,580	9,586	14,166	(0.86)
	2005	25,130	43,596	(18,466)	4,545	9,820	14,365	(1.29)
	2004	30,597	45,581	(14,984)	4,120	9,663	13,783	(1.09)
STUDENT UNIVERSITY BONDS:								
Colleges and Universities	2013	$ 1,144,431	$ 4,236,113	$ (3,091,682)	$ 78,408	$ 55,100	$ 133,508	(23.16)
	2012	1,184,231	4,858,001	(3,673,770)	55,429	64,667	120,096	(30.59)
	2011	1,078,442	4,992,124	(3,913,682)	34,885	67,588	102,473	(38.19)
	2010	979,671	4,951,958	(3,972,287)	44,420	60,966	105,386	(37.69)
	2009	918,590	3,743,593	(2,825,003)	69,281	59,746	129,027	(21.89)
	2008	901,920	3,610,696	(2,708,776)	82,711	55,265	137,976	(19.63)
	2007	909,169	3,040,456	(2,131,287)	24,406	34,629	59,035	(36.10)
	2006	851,690	4,036,354	(3,184,664)	15,728	22,043	37,771	(84.32)
	2005	848,806	2,916,686	(2,067,880)	75,675	21,739	97,414	(21.23)
	2004	757,334	2,687,044	(1,929,710)	32,430	20,773	53,203	(36.27)

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

YEAR	POPULATION (A)(B)(1)	PERSONAL INCOME (A)(1)	PER CAPITA PERSONAL INCOME (C)(1)	MEDIAN AGE (2)
2012	4,602	$ 184,340,179	$ 40,057	35.9
2011	4,575	176,356,255	38,549	35.9
2010	4,544	168,230,509	37,021	35.8
2009	4,492	168,544,450	37,520	35.4
2008	4,411	160,658,930	36,424	35.6
2007	4,293	153,569,577	35,770	35.6
2006	4,288	134,504,614	31,369	35.7
2005	4,524	111,200,646	24,582	35.2
2004	4,516	122,913,214	27,581	34.9
2003	4,496	116,176,096	26,038	34.7

YEAR	CIVILIAN LABOR FORCE (A)(3)	LOUISIANA UNEMPLOYMENT RATE (3)	U.S. UNEMPLOYMENT RATE (3)
2012	2,084	6.4%	8.1%
2011	2,060	7.3	8.9
2010	2,082	7.5	9.6
2009	2,068	6.8	9.3
2008	2,079	4.6	5.8
2007	1,998	3.8	4.6
2006	1,990	4.0	4.6
2005	2,077	6.7	5.1
2004	2,058	5.7	5.5
2003	2,037	6.6	6.0

(A) Expressed in thousands
(B) Population figures are estimated and are revised yearly; however, only the original estimates are reported here
(C) Expressed in dollars

Sources: (1) Survey of Current Business, U.S. Department of Commerce, Bureau of Economic Analysis
(2) U.S. Census Bureau
(3) U.S. Department of Labor, Bureau of Labor Statistics

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2013 EMPLOYERS	RANGE
STATE OF LOUISIANA (1)	42,000+
LOUISIANA STATE UNIVERSITY SYSTEM (2)	16,000+
OCHSNER HEALTH SYSTEM	12,000+
UNIVERSITY OF LOUISIANA SYSTEM (2)	5,000 - 9,999
INGALLS SHIPBUILDING	5,000 - 9,999
WILLIS KNIGHTON HEALTH SYSTEM	5,000 - 9,999
HILTON-NEW ORLEANS RIVERSIDE	5,000 - 9,999
LAFAYETTE MEDICAL CENTER	5,000 - 9,999
OUR LADY OF THE LAKE MEDICAL CENTER	5,000 - 9,999
TULANE UNIVERSITY	5,000 - 9,999
LOUISIANA COMMUNITY AND TECHNICAL COLLEGE SYSTEM (1)	1,000 - 4,999
SOUTHERN UNIVERSITY SYSTEM (2)	1,000 - 4,999
US POST OFFICE	1,000 - 4,999
ACADIAN AMBULANCE SERVICE	1,000 - 4,999
BARKSDALE AIR FORCE BASE	1,000 - 4,999

2004 EMPLOYERS *
WAL-MART STORES, INC.
WINN DIXIE LOUISIANA, INC.
THE HIBERNIA NATIONAL BANK
NORTHROP GUMMNAN SHIP SYSTEMS
EXXON MOBIL CORPORATION
TULANE UNIVERSITY
BELLSOUTH TELECOMMUNICATIONS
WILLIS-KNIGHTON MEDICAL CENTER, INC.
ALTON OCHSNER FOUNDATION HOSPITAL
BURGER KING, CORP.
OUR LADY OF THE LAKE MEDICAL CENTER
THE HOME DEPOT
SEARS ROEBUCK & CO.
DILLARDS DEPARTMENT STORES, INC.
ENTERGY

* 2004 employer list is from the Office of Statewide Reporting and Accounting Policy archive files - range information is not available and limited to private employers.

(1) Government - Primary
(2) Government - Component Unit

Note: Louisiana Workforce Commission is no longer able to provide largest employer information due to tighter confidentially regulations of the Bureau of Labor Statistics.

LOUISIANA STATE EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2013	2012	2011	2010
GENERAL GOVERNMENT				
CLASSIFIED	6,011	6,315	6,422	6,691
UNCLASSIFIED	3,661	3,772	3,814	3,850
CULTURE, RECREATION, AND TOURISM				
CLASSIFIED	603	595	604	659
UNCLASSIFIED	641	579	532	525
TRANSPORTATION AND DEVELOPMENT				
CLASSIFIED	4,336	4,441	4,466	4,479
UNCLASSIFIED	96	101	91	98
PUBLIC SAFETY				
CLASSIFIED	2,536	2,548	2,645	2,811
UNCLASSIFIED	213	239	173	156
HEALTH AND WELFARE				
CLASSIFIED	10,002	12,200	13,346	15,084
UNCLASSIFIED	1,168	1,238	1,142	1,368
CORRECTIONS				
CLASSIFIED	4,758	5,075	5,179	5,684
UNCLASSIFIED	175	186	142	140
YOUTH SERVICES *				
CLASSIFIED	843	918	916	971
UNCLASSIFIED	106	110	110	93
CONSERVATION AND ENVIRONMENT				
CLASSIFIED	1,850	1,928	1,971	2,006
UNCLASSIFIED	152	145	138	160
EDUCATION				
CLASSIFIED	779	922	1,011	1,004
UNCLASSIFIED	1,871	2,058	2,302	2,446
COLLEGES AND UNIVERSITIES				
CLASSIFIED	10,059	15,563	16,603	17,478
UNCLASSIFIED	22,978	24,428	24,717	26,899
OTHER				
CLASSIFIED	1,525	1,526	1,567	1,545
UNCLASSIFIED	963	976	983	953
TOTAL	75,326	85,863	88,874	95,100

* Office of Youth Services moved from Corrections in FY 2006.

Source: Louisiana Department of State Civil Service

2009	2008	2007	2006	2005	2004
6,410	6,456	6,322	6,138	6,414	6,282
4,056	4,036	4,273	4,229	4,165	4,030
667	690	665	594	715	722
567	562	406	352	676	664
4,668	4,536	4,641	4,705	5,005	5,168
144	171	122	96	92	103
2,836	2,827	2,833	2,835	2,890	2,892
111	88	96	85	93	125
16,965	16,875	16,835	16,373	17,688	17,687
1,455	1,509	1,341	1,030	1,091	1,020
6,145	6,136	5,902	5,794	7,370	7,378
147	331	334	256	546	583
1,012	1,039	1,005	1,029	--	--
155	203	179	175	--	--
2,166	2,152	2,162	2,098	2,239	2,235
183	177	177	146	244	255
1,140	1,158	1,133	1,135	1,269	1,249
2,923	3,017	2,331	1,091	1,165	1,162
18,209	17,931	17,076	16,129	19,759	19,995
27,807	27,813	26,613	25,716	27,663	26,887
1,794	1,793	1,830	2,040	2,189	2,261
926	973	979	898	827	808
100,486	100,473	97,255	92,944	102,100	101,506

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS

	2013	2012	2011	2010
GENERAL GOVERNMENT				
AGRICULTURE - CROPS (in thousands) - [1]	*	$2,962,500 **	$2,402,228 ¤	$1,935,528
AGRICULTURE - LIVESTOCK (in thousands) - [1]	*	$1,165,382 **	$1,058,342 ¤	$977,025
AGRICULTURE - TIMBER (in thousands) - [1]	*	$337,288 **	$446,905	$417,493
ELECTIONS - REGISTERED VOTERS (in thousands) - [1]	*	2,920	2,861	2,941
REVENUE - TAX RETURNS FILED (in thousands) - [2]	3,577	3,952	4,332	4,538
REVENUE - TAX RETURNS FILED ELECTRONICALLY - [2]	74%	61%	48%	53%
CULTURE, RECREATION, AND TOURISM				
STATE PARKS VISITORS (in thousands) - [2]	1,967	2,151	2,242	2,069
TRANSPORTATION AND DEVELOPMENT				
NUMBER OF BRIDGES	12,955	13,095	13,016	13,166
PUBLIC SAFETY				
STATE POLICE ROAD PATROL MILEAGE (in thousands) - [2]	8,958	11,305	13,055	13,615
HEALTH AND WELFARE				
DHH - MEDICAID CLAIMS PROCESSED (in thousands) - [2]	56,395	60,498	64,703	62,618
DHH - CHILDREN IMMUNIZED - [3]	*	93%	95%	95%
CORRECTIONS				
AVERAGE DAILY COST PER INMATE BED - [2]	$53.43	$54.82	$55.77	$55.54
CONSERVATION AND ENVIRONMENT				
WLF - FISH AND SHELLFISH (in thousands) - [1]	*	$265,092	$238,481	$188,355
WLF - ALLIGATOR AND GAME (in thousands) - [1]	*	*	$66,418	$38,523
WLF - HUNTER DAYS ANNUALLY (in millions) - [1]	*	5.4	5.8	5.0
WLF - LICENSED COMMERCIAL FISHERMEN - [1]	*	13,629	14,301	14,396
EDUCATION				
GRADES K-12 (number of students) - [3]	*	707,464	673,968	666,901
AVERAGE ACT SCORE - [4]	20.3	20.3	20.2	20.1
START PRINCIPAL DEPOSITS (in thousands, cumulative) - [1]	*	$62,913	$52,720	$50,852
TOPS TUITION AWARDS (in thousands) - [2]	$192,085	$166,886	$144,450	$129,868
TOPS AWARDS RECIPIENTS (number of students) - [2]	46,263	44,433	43,782	42,375
COLLEGES & UNIVERSITIES (number of students) - [5]	*	221,831	225,835	225,198

¤ Restated

* Information for this year is not yet available

** Preliminary numbers

Sources: [1] based on calendar years

[2] based on fiscal years

[3] based on school year reported on October 1

[4] based on graduating class

[5] based on preliminary reported on September 1

2009	2008	2007	2006	2005	2004
$1,761,590	$1,984,873	$1,768,902	$1,321,910	$1,204,605	$1,347,810
$777,568	$1,049,816	$941,322	$864,269	$920,093	$877,993
$408,112	$471,227	$558,445	$727,747	$581,709	$593,094
2,916	2,945	2,838	2,894	2,845	2,820
4,663	4,686	4,702	3,848	4,061	4,195
48%	45%	45%	41%	32%	25%
2,079	1,784	1,678	1,596	2,183	2,087
13,154	13,157	13,175	13,181	13,206	13,223
14,373	10,699	9,262	10,119	10,204	10,904
57,261	51,089	64,914	46,725	51,930	47,133
99%	93.3%	96.0%	95.3%	95.0%	92.3%
$61.49	$56.25	$48.97	$47.00	$48.99	$44.97
$241,611	$235,494	$289,536	$270,633	$251,895	$275,634
$51,234	$58,882	$74,149	$64,370	$52,617	$44,748
4.9	4.9	5.1	5.0	5.0	--
12,266	11,207	11,785	12,095	14,120	15,832
656,696	629,264	632,923	636,233	587,205	701,471
20.1	20.3	20.1	20.1	19.8	19.8
$45,575	$182,970	$171,689	$127,082	$93,217	$63,049
$123,032	$117,146	$121,660	$116,203	$118,882	$110,926
43,203	42,031	43,952	42,130	42,435	41,034
220,381	207,760	198,016	195,380	205,300	214,345

CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

	2013	2012	2011	2010	2009
CULTURE, RECREATION, AND TOURISM					
STATE PARKS	25	26	26	26	25
STATE PARKS (ACREAGE)	32,271	34,215	34,639	34,215	32,428
STATE HISTORIC SITES	21	22	22	22	20
STATE HISTORIC SITES (ACREAGE)	2,573	2,676	2,676	2,676	2,557
TRANSPORTATION AND DEVELOPMENT					
STATE HIGHWAYS (MILES)	16,606	16,655	16,667	16,678	16,682
PARISH ROADS (MILES)	32,729	32,589	33,375	33,580	31,560
CITY STREETS (MILES)	11,311	11,335	11,559	11,056	12,836
BRIDGES ON STATE HIGHWAYS	7,906	8,013	7,983	7,984	7,934
BRIDGES OFF STATE HIGHWAYS	4,999	5,030	5,033	5,182	5,220
PUBLIC SAFETY					
TROOPS	9	9	9	9	9

	2008	2007	2006	2005	2004
CULTURE, RECREATION, AND TOURISM					
STATE PARKS	25	24	24	24	24
STATE PARKS (ACREAGE)	32,181	30,984	30,984	30,984	30,984
STATE HISTORIC SITES	20	20	20	21	21
STATE HISTORIC SITES (ACREAGE)	2,557	2,539	2,539	2,617	2,617
TRANSPORTATION AND DEVELOPMENT					
STATE HIGHWAYS (MILES)	16,685	16,691	16,691	16,697	16,694
PARISH ROADS (MILES)	33,366	33,280	33,319	33,332	33,311
CITY STREETS (MILES)	11,010	10,949	10,935	10,921	10,932
BRIDGES ON STATE HIGHWAYS	7,931	7,914	7,889	7,899	7,887
BRIDGES OFF STATE HIGHWAYS	5,226	5,261	5,292	5,307	5,336
PUBLIC SAFETY					
TROOPS	9	9	9	9	9

Sources: 1. Louisiana Department of Culture, Recreation, and Tourism, Office of Tourism and Office of State Parks
2. Louisiana Department of Transportation and Development, Traffic and Planning Section and Bridge Maintenance Section
3. Louisiana Department of Public Safety and Corrections, Office of State Police

ACKNOWLEDGMENTS

REPORT PREPARED BY:

State of Louisiana
Division of Administration
Kristy Nichols, Commissioner
Ray Stockstill, Deputy Commissioner

Office of Statewide Reporting and Accounting Policy
Afranie Adomako, CPA, Director
Devery Pierce, CPA, Assistant Director

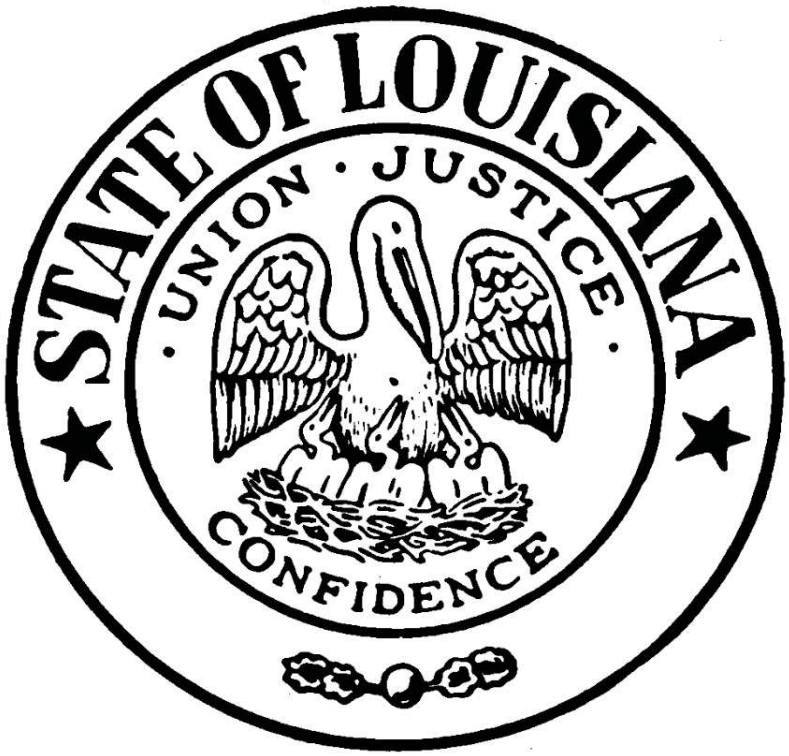
Financial Reporting Section
Yuchi Fong, Manager
John McLean, CPA, Manager
Mark Rhodes, CPA, Manager
Rhonda Coston, CPA, Consultant
Kimberly Dwin, Consultant
Tonia Jackson, CPA, Consultant
Sean Langlois, Supervisor
Katherine Porche, CPA, Supervisor
Jennifer Williams, Consultant
Deborah Zundel, CPA, Supervisor

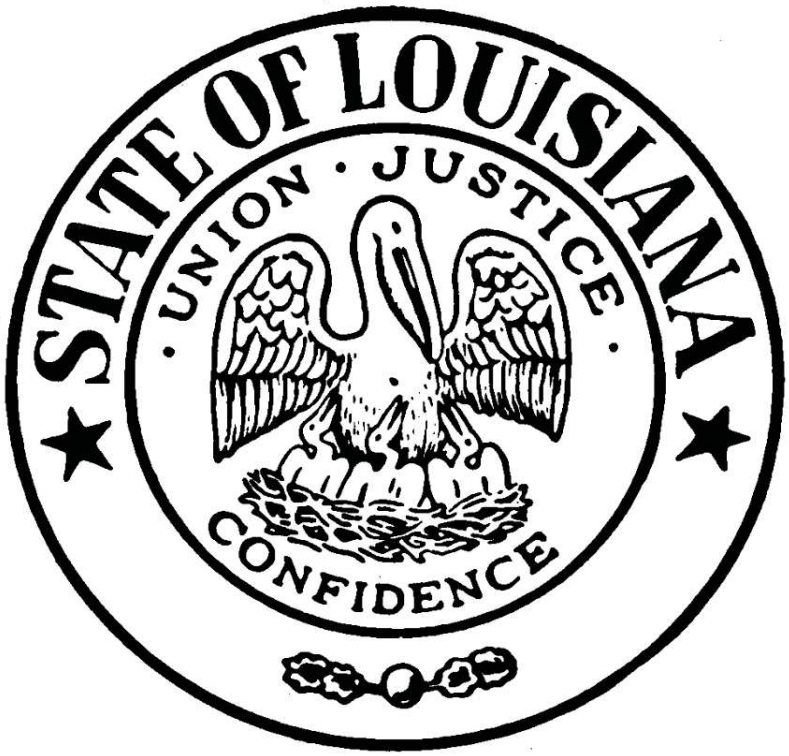
Additional Assistance Provided By
Office of Computing Services
Office of Electronic Services
Office of Information Services
All State Fiscal Personnel

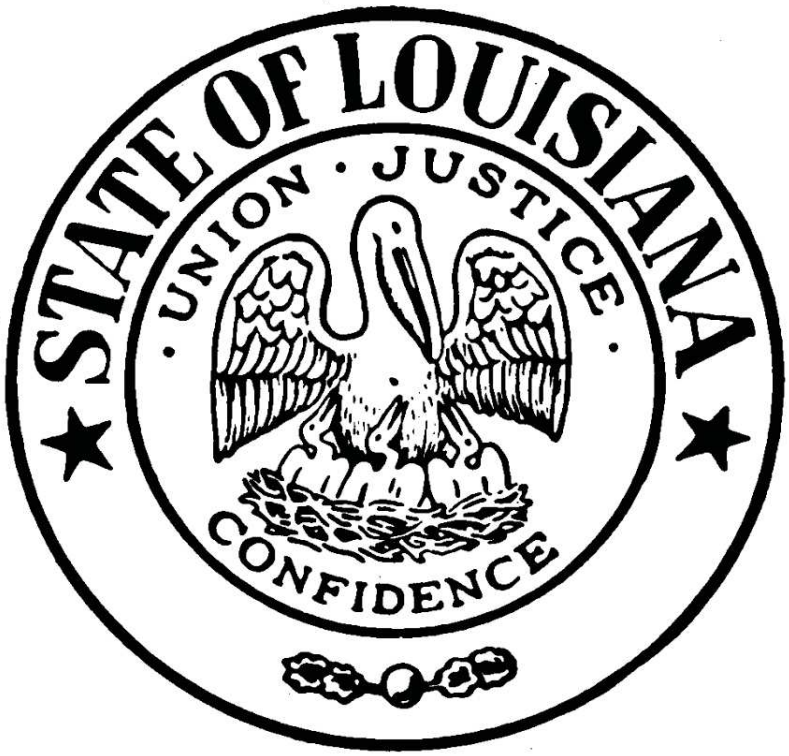
Special thanks to the Financial Systems section of the Office of Statewide Reporting and Accounting Policy for their valued input into the Comprehensive Annual Financial Report:

Financial Systems

James Lodge, Manager
Carmencita Christian, Consultant
Kurt Demmerly, CPA, Supervisor
Holly Ketterer, Administrative Program Manager
Inga Kimbrough, Consultant
Angela Murphy, Supervisor
Evelyn Myles, Administrative Coordinator
Joyce Sanders-Riley, Administrative Coordinator
Bridget Theriot, Consultant


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE


STATE OF LOUISIANA
UNION · JUSTICE ·
CONFIDENCE

www.doa.louisiana.gov/osrap/cafr-2.htm